

UK Office September 2020 TDC Report

Prepared by: Venessa Alexander
UK Director

Tour Operators

- **Ocean Holidays**– We spoke with Anna Janssen, Product Manager who advised that after the success of July and August that things had slowed down substantially for the first half of September. She believes this is due to consumer confidence lessening and also the looming of the uncertainty about their jobs once the furlough scheme comes to an end in October. People are enquiring but even with a deposit option of £375 per person to secure their holiday, they are loathe to commit at this time. Any enquiries they are receiving are from Easter 2021 through to October, the UK school's autumn half term holiday. Anna advised Ocean Holidays are continually looking at ways to draw in customers and boost sales including offering a Covid-19 holiday policy with their travel insurance but this has yet to encourage bookers. We have provided Ocean Holidays with 2,000 of the co-branded luggage tags we had produced for Boardmasters Festival back in 2018 and that were being stored in our UK mailing house as these can be used to be sent out to their customers when a booking to Florida is made and invoices and tickets are issued to increase awareness of our destination.
- **Funway Holidays** – We spoke with Nick Talbot, Marketing Director from Funway Holidays. Nick advised their offices will be officially closing on the 6th October 2020. Nick thanked us for our continued support of their co-op marketing campaigns, training their staff and for the many Fam trip spaces we have offered their reservations staff over the years. We wished him and the team there all the very best for the future.

Meetings/Training/Events

- **Visit USA Association Ireland** – We received the minutes from the recent Visit USA Association Ireland quarterly meeting. They gave a general Ireland Market Overview and advised The Irish government has had a very robust response to the COVID-19 crisis in terms of public health and the economy. In the last quarter, they have seen a gradual easing of restrictions, which has in turn resulted in an increase in incidences of COVID-19. Levels, however, are still relatively low by international standards. Since the last quarterly meeting, there has been a change in Government. On 15th September, the new Government introduced a 'Living with COVID' framework strategy, which outlines the planned response for the next 6 months. The Green List of countries that are safe for travel has been updated. In the coming weeks, this will be aligned to the European Commission's traffic light framework, which is currently being developed. To date, the Green List has been arguably the most restrictive in Europe and has not facilitated travel as was expected. At present, there are several obstacles to be overcome before normal travel to the US can resume, including the US travel ban and Irish Dept. of Foreign Affairs advisory. However, feedback from the trade indicates that new bookings for 2021 are increasing and that there is confidence that the Irish market will recover quickly. The Committee has responded to the crisis and adapted its strategy accordingly. With physical

events restricted, they have focused on delivering enhanced online activities via their website, social media and email marketing. They are actively publishing content for members that is designed to inspire future travel and assist in trip planning. The Visit USA website is a great resource for trip planning. This year to date, they have published 40+ high-quality articles that are optimised to be found in online searches. While web traffic is down year-on-year, they have received 8,000 website pageviews YTD. They continue to actively promote members via social media. They have a significant Facebook following of 3,600 page likes and they reached 10,000 people with posts in the last quarter. They are working to develop their Instagram presence. All social media activity is being done with a view to driving traffic back to the website, where people can get more information, or back to our members' websites. Email marketing is also being done to promote members and they have significantly developed their offering. They continue to publish the monthly ezine, which is issued to consumer, trade, and media contacts. In addition to this, they now produce a new monthly Special Offers email that features packages from travel agent/tour op members and that is issued directly to consumers. In Q3, they also issued a special trade training email (of which the VSPC Virtual Fam Trip Series Videos were a part of), which collated training programs and opportunities from various members and was issued to trade contacts. Their email marketing activities are very effective with open rates of up to 25%. This reflects the quality of their contact lists. They have 300 trade, 1000+ consumer contacts and 200 media contacts. Physical events are restricted at present and the Thanksgiving event, unfortunately, had to be postponed. A wellness pack will be issued to key travel trade figures as a 'thank you' for their continued support. They will also organise an online travel trade training event in Q4 2020. This will be open to all members at no additional cost.

TRADE LIAISON

- **Visit St. Pete/Clearwater** – We have worked on and provided Rosemarie with a UK, Ireland & Scandinavian trade handover document to include our trade contacts and all associated details, details of any marketing activity we have conducted this year and any general information we feel should be shared for Rosemarie to utilise in the future.
- **UK Office Weekly Newsletters** – We have again continued to send bi-weekly email updates to our trade partners and trade press contacts that Rooster have been producing as they will be drafting these moving forward. This month we have been promoting the Urban Art Scene in downtown St. Pete highlighting things such as the SHINE Festival and the new Drive-In Muriel Experience as well as outdoor activities in the area.
- **Rooster PR** – We assisted the Rooster VSPC PR team with suggestions for the next few trade e-newsletters that they will be working on moving forward.
- **Visit St. Pete/Clearwater** – We had a handover call with Leroy and Katie to go over budget rollover, file transitions, The Braehead Virgin Retail Store Sponsorship and the UK mail fulfilment amongst other things.

- **Visit St. Pete/Clearwater** – We had a handover call with Rosemarie to go over all of the trade information we needed to share including 20/21 sales budget, trade contacts and database as well as the bi-weekly trade e-newsletters.
- **Visit St. Pete/Clearwater** – A handover call was held with the VSPC team in resort as well as Rooster to go over a final handover to include the continuation of trade e-newsletters and the UK mailing house fulfilment.
- **BH&P Direct Mail limited** – We have liaised with Simon Gandy at our UK mailing house to advise that we will not be working with them after the 30th September and to arrange for them to receive the Visit USA UK Association brochure requests directly. Simon contacted us on a separate note that they have not been receiving the direct brochure requests from the VSPC website and this was passed over to VSPC to handle as necessary.
- **Visit USA UK Association** – We have liaised with Pamela Newman to ask for the brochure information email on the website (as part of our membership) to be transferred to BH&P so that brochures can continue to be distributed after 1st October and also provided Rosemarie’s details as the main point of contact moving forward.
- **Visit USA Ireland** – We have provided Rosemarie’s contact details to Tony Lane as the main point of contact moving forward after 1st October.
- **Discover America Nordic** – We have provided details to all of the Nordic Discover America contacts we have transferring contact details to Rosemarie moving forward.
- **Brand USA** – We liaised with the team at Brand USA for outstanding co-op marketing campaigns that didn’t run due to Covid-19. We were advised to obtain cancellation notes from any tour operators that we had outstanding purchase orders with that had not ran the campaign as planned and as such we have touched base with BA Holidays, Funway Holidays and Ocean Holidays.
- **Discover America Sweden** – We received an update regarding the membership; due to the Coronavirus Pandemic, it was decided to extend the membership fee until June 30th, 2021. Post the Annual Meeting all Nordic Discover America Committees have come to an agreement to extend the membership fee for the entire year 2021 so there will be no membership fees until after this time.
- **Visit USA UK Association** – We received an update from the UK Visit USA Association to advise that the association will be offering 3 months free membership for 2020/21 – they will be reducing the fees by 25% with full membership now reduced to £367.50.
- **Ocean Holidays** - We liaised with BH&P to provide Ocean Holidays with 2,000 of the co-branded luggage tags and these have been duly sent and confirmed receipt of items has been made.

ENQUIRIES:

Telephone/website enquiries for information and/or literature: 14

MARKET INTELLIGENCE

01 September 2020, source Travel Trade Gazette

#SAVETRAVEL Heads to Westminster To Hand Over Letter

The #SaveTravel campaign headed to Westminster to hand over its letter today, after weeks of lobbying. Armed with more than 11,000 signatures, TTG staff and leading industry figures handed over the letter - listing a number of demands for sector-specific support - to the Department for Transport and the Treasury. TTG Media's Pippa Jacks and Sophie Griffiths were joined by Abta's head of public affairs Luke Petherbridge, Business Travel Association chief executive Clive Wratten, UKinbound chief executive Joss Croft, Advantage Travel Partnership chief executive Julia Lo Bue-Said, Travel Network Group chief executive Gary Lewis, Aito executive director Martyn Sumners, Intrepid Group EMEA managing director Zina Bencheikh, G Adventures managing director Brian Young and Cosmos Tours and Avalon Cruises chief executive Giles Hawke.

01 September 2020, source Travel Trade Gazette

Aer Lingus 'Planning UK Transatlantic Flights'

Aer Lingus is said to be considering offering non-stop transatlantic flights from UK regional airports including Manchester and Edinburgh. The Irish Times reports six UK airports have responded to a request from the carrier to offer flights to the US or Canada from next year until at least 2024. The airline reportedly wants to swap capacity from Shannon to the UK, believing the west of Ireland airport will not be able to fill existing services to Boston and New York if they resume. Aer Lingus is said to be seeking routes for two Shannon-based narrow body Airbus A321s, which are suited to less busy regional services. The Irish carrier's parent company IAG has positioned the Aer Lingus brand as a budget option to the US, using regional flights from the UK to link with transatlantic services from Dublin and Shannon. Any decision to switch to flying direct from the UK may also be driven by IAG's desire to take advantage of Norwegian's difficulties, which said last week it needed more cash to survive the winter. Aer Lingus has been approached for a comment.

01 September 2020, source Travel Trade Gazette

Virgin Atlantic Confirms September Flight Resumptions

Virgin Atlantic has confirmed dates for the return of five key routes this month. Services to Delhi have now recommenced, with three flights a week from Heathrow Terminal 2. Tel Aviv begins on 6 September, also three times a week, followed by Lagos on 10 September, which will operate four times a week. It will be followed by Atlanta on 15 September three times a week and, a day later, Mumbai, four times a week. All will operate from Terminal 2 until further notice. The carrier is already serving Hong Kong, New York JFK, Los Angeles, Barbados, Shanghai and Miami. Juha Jarvinen, chief commercial officer said: "We're continually reviewing our network and as countries begin to open up their borders, we're introducing more and more flying." The carrier has changed its meal service but still offers hot food in all cabins. Economy and Premium Economy customers receive a "Fly safe, eat well" meal box, with a choice of three hot meals, cheese and biscuits and a dessert pot. Upper Class customers will receive a choice of three hot meals, dessert, cheese plate and crackers plus a ciabatta roll, all delivered to their seat on a tray.

02 September 2020, source Travel Trade Gazette
Virgin Atlantic Restructure Cleared By High Court

Virgin Atlantic's £1.2 billion restructuring plan has been cleared by the high court. A final US court hearing will now be held on Thursday (3 September). Further approval in the US will set the bid up for completion, ending months of uncertainty over the airline's future. "Achieving this significant milestone puts Virgin Atlantic in a position to rebuild its balance sheet, restore customer confidence, and welcome passengers back to the skies," said a Virgin spokesperson. After its initial efforts to tap government for support earlier this year were knocked back, Virgin Atlantic announced a major restructuring and refinancing package on 14 July.

03 September 2020, source TravelMole
Industry Anger Grows As Govt Accused Of 'Overseeing The Demise Of Aviation'

Aviation officials have renewed their assault on the government's catch-all approach to quarantine and accused ministers of 'overseeing the demise of UK aviation'. Amid rising anger and frustration, airline officials have said the government is simply not listening to the concerns of the sector. Derek Provan, chief executive of AGS Airports, which runs Southampton, Aberdeen and Glasgow, said calls for regional travel corridors and testing at airports were being ignored. "We are not getting any response back from the government," he said. The refusal to look at airport testing - as France and Germany have done - was effectively strangling the industry and 'overseeing the demise of UK aviation', he said. He added the sector was seeing more job losses than the demise of the coal industry in the 1980s. "That's surely not an accolade any government would like to have," he told the BBC. Shai Weiss, chief executive of Virgin Atlantic, said testing was "essential" to help kick-start the economy. "Without free and fast travel with the US, we won't see a rebound of aviation and this will stall the economic recovery of the UK, which of course is already in recession," he said. Heathrow Chief Executive John Holland-Kaye said the government was ignoring the growing economic crisis. "I think the government has been very cautious, really focusing on the health crisis and yet we have an unemployment crisis looming," he said. "The UK government needs to get behind testing as an alternative to quarantine to save millions of jobs in this country."

03 September 2020, source TravelMole
US To Lose USD155 billion From Collapse Of International Travel

The shutdown of international travel is set to burn a \$155 billion hole in the US economy. That is the amount the US could lose due to the collapse of international travel in 2020, says the World Travel & Tourism Council. Latest research predicts international visitor spending in the US could be down by as much as 79%. That represents a massive \$425 million every day. Under a 'worst case' scenario mapped out by WTTC, 12.1 million US jobs supported by tourism are at risk. "The economic pain and suffering caused to millions of households across the US who are dependent upon travel and tourism for their livelihoods, is evident from our latest shocking figures," Gloria Guevara, WTTC President & CEO. "It may take years to recover. It could also threaten New York's position as one of the world's premier hubs for business and leisure travel." The WTTC called for a swift resumption of transatlantic travel to aid the recovery. "It would benefit airlines and hotels, travel agents and tour operators and revitalize the millions of jobs in the supply chain which are dependent upon international travel across the Atlantic," Guevara said. "We urgently need to replace blanket quarantine measures with rapid, comprehensive and cost-effective test and trace

programs at departure points across the country. This investment will be significantly less than the impact of blunt quarantines."

04 September 2020, source Travel Trade Gazette

Virgin Atlantic Announces Plans To Cut Another 1,150 Jobs

Virgin Atlantic has confirmed that will cut another 1,150 jobs as the airline struggles to cope with the impact of the coronavirus pandemic. The latest blow to the airline's staff comes after the company received high court clearance for its £1.2 billion restructuring plan earlier this week. Virgin Atlantic's refinancing has now been completed as the carrier focuses on becoming "a sustainably profitable airline". The new job losses will come four months after Virgin Atlantic announced it would cut 3,150 roles at the airline as part of a major restructure necessitated by the Covid-19 crisis. The airline has also closed its base at Gatwick as part of cost-cutting measures. The airline said it was working closely with unions Unite and Balpa with a company-wide consultation period of 45 days starting on Friday (4 September). The 1,150 job losses will be "across all functions" at the airline. Virgin said it would also introduce and finance its own furlough scheme for an additional 600 crew when the government's Coronavirus Job Retention Scheme is due to finish at the end of October. Shai Weiss, Virgin Atlantic's chief executive, said: "After the sacrifices so many of our people have made, further reducing the number of people we employ is heart-breaking but essential for survival. "I truly hope that as demand returns, we will see many members of our team returning to us. "Now we must focus our efforts on securing our long-term future, by ensuring that Virgin Atlantic not only survives but thrives as passenger demand returns. "It's clear that the introduction of passenger testing is the only way to enable the removal of travel restrictions and open up flying to key markets, while protecting public health."

04 September 2020, source Travel Trade Gazette

Norwegian Sees 91% Drop In Passengers During August

Covid-related travel restrictions and a severe slump in consumer demand led to a 91% year-on-year drop in the number of passengers carried by Norwegian during August. The low-cost airline carried 313,316 customers during the peak summer month. Norwegian said its capacity was 94% lower than last year, while flights that were operated had a load factor of 62.1%. From 1 July, Norwegian reopened 76 routes and put an additional 15 aircraft into service, throughout the summer frequencies and routes were adjusted due to passenger demand and changing government travel advice and restrictions. Compared to the same period last year, Norwegian's total capacity decreased by 94%, while total passenger traffic decreased by 96%. The airline's load factors were down 27.9 percentage points. Norwegian chief executive Jacob Schram said: "Passenger demand continues to be rapidly impacted by changing government travel restrictions across different markets. "We are continuously adapting our network to adjust to these changes as necessary to ensure that we keep vital air routes open and concentrate supply in line with demand. "The prolonged crisis that has impacted every part of the aviation industry continues to create uncertainty in all markets making the need for a long-term liquidity support package even more critical to protect tourism, jobs and international trade."

07 September 2020, source Travel Trade Gazette

Thomas Cook Brand Re-Launch 'Imminent', Report Says

The Thomas Cook brand could be revived in the next few months, according to a Sky News report. The channel said the name is set to be relaunched as an online agency "as soon as this month". The Cook name's owners, China's Fosun, was due to re-launch the brand earlier this year, but plans were put on hold due to the pandemic. Fosun, which owns Club

Med, acquired the Cook brand and intellectual property for just £1 million when Cook collapsed under the weight of its debt burden a year ago. Fosun had assets of more than \$102 billion before the pandemic and is a big investor in the travel industry globally.

07 September 2020, source Travel Trade Gazette

Travelopia Confirms TrekAmerica Closure And Redundancies

Travelopia has closed its TrekAmerica brand only two years away from its 50th anniversary. The small tours operator and its sister company and DMC, the Santa Rosa-based American Adventures, have transferred bookings to Exodus Travels or Exodus Edits and staff are in a consultation period. They are part of a plan to axe “around 25%” of Travelopia Adventure’s UK staff at offices in Surbiton and Northwich, which also administer Headwater Holidays. About 30 jobs are likely to be affected. TrekAmerica covered the US, Canada, Alaska and South America. Its best seller was the New York-Los Angeles Southern Sun itinerary, which it first offered in 1972. In 2013 it launched an itinerary covering all 48 states of transcontinental USA in 80 days. Managing director Sam Seward said: “Closing the TrekAmerica brand after nearly 50 years of fabulous USA adventure has been a difficult decision. “Falling demand for destination USA and rising costs had already weakened passenger volumes significantly prior to the pandemic and our need to now focus on our core brands is pivotal.” Earlier this year, Travelopia put the Grand American Adventures brand under Exodus Travels. Seward added: “We have seen our business move from record-breaking revenue figures in January to the worst year in our 46-year history. It has been a horrible time for the entire team, who have worked tirelessly to put our customers’ safety and happiness first. “We have already implemented a range of measures to protect jobs as far as possible; however, due to the severity of the impact of the pandemic on our ability to operate our trips, as well as a significant reduction in forward bookings, it is with deep regret that we must take steps to reduce the size of our team.” He said he “hoped to be in a position to re-employ our people as and when the market recovers”.

08 September 2020, source Travel Weekly

Willie Walsh Steps Down As IAG Chief Executive

Willie Walsh has retired from his role as International Airline Group’s chief executive after nine years. Iberia chairman and chief executive Luis Gallego has taken up the role after IAG’s annual general meeting today. He will be tasked with adapting British Airways’ parent to aviation’s ‘new normal’. Walsh had been due to step down earlier this year but delayed his retirement because of the pandemic. He saw off an investor revolt over his bonuses on his final day in the job, despite nearly 30% of shareholders failing to back his remuneration deal. IAG is parent to British Airways, as well as Iberia, Aer Lingus and Vueling. Gallego said: “It’s an honour to become IAG’s chief executive, following in Willie’s footsteps and building on all that he has achieved in the past nine years. “This is a hugely difficult time for our industry. Not only do we face the immediate challenge of Covid but we must ensure that IAG is strong and resilient when it emerges from the crisis. “The group was in good shape before Covid with a history of strong profitable growth. We have a portfolio of world class brands, acquired through selective M&A[mergers and acquisitions], in which we have invested effectively for the benefit of our customers while keeping costs under control. “My goal is to ensure that IAG adapts to the ‘new normal’ in aviation and builds on its strengths to secure a strong future for the Group, our customers, shareholders and employees”. Gallego became Iberia chief executive in March 2013 since when IAG said he turned it around, restoring profitability before the pandemic, and improved its efficiency. Before that, he launched subsidiary Iberia Express as chief executive from January 2012 after joining from Vueling where he was chief operating officer from 2009, when the airline merged with Clickair.

From 2006 to 2009 Gallego was one of the founders of Clickair, a low-cost airline which, until its merger with Vueling, was Europe's fastest growing airline. He held various posts at Spanish regional airline Air Nostrum between 1997 and 2006 having started his career at BDE (INDRA), an engineering and services company.

09 September 2020, source Travolution

New Online Tour Operator Launched By Former Thomas Cook IT Staff

A team of former Thomas Cook staff is poised to launch an online tour operator called Sunny Heart Travel. A 'sunny heart' logo was synonymous with Thomas Cook from 2013 until its collapse in September last year. Sunny Heart Travel, which has a logo showing heart-shaped sunglasses, has been in development for the last year by ex-IT staff from Thomas Cook. It hopes to launch later this month. The news of the new online tour operation comes as reports suggest the relaunch of the Thomas Cook brand as an online travel agency owned by Chinese conglomerate Fosun is 'imminent'. Fosun acquired the Thomas Cook brand for £11 million in November 2019 and is understood to be planning to rekindle the company's 'sunny heart' logo – which replaced the company's blue globe symbol in 2013 – for its new venture. Sunny Heart Travel is privately-owned and based in Peterborough, where Thomas Cook had its head office. It has pledged to take on "as many ex-Thomas Cook colleagues as possible" as it grows in size, particularly former product and marketing employees. The company has already obtained its Atol license, initially for 1,000 passengers, and registered its name and logo under the Sunny Heart Travel brand. Its tagline will be 'Great Holidays start with a Sunny Heart'. The operator plans to work with the trade as part of the second phase of its development and will talk to agents in the near future. It currently has five UK-based staff, with more IT staff based abroad. Former Thomas Cook IT programme manager Steve Bentzen is chief executive and former Thomas Cook IT project manager Jemma Sharman is chief information officer. Bentzen, who was responsible for installing UK-wide Wi-Fi in Thomas Cook's shop network and also worked at Tui, said: "When Thomas Cook collapsed a few of us got together and said why don't we start up a travel company ourselves. We all have travel experience and we have been working on this for a year. "We are ready to launch as soon as the nation's confidence in travel returns. We have put together a broad product range, including flights, hotels and cruise as well as tours, sightseeing and ancillaries. "Our customers will have a huge choice of Sunny Heart packages to explore as well the option of creating their own tailor-made holidays." Bentzen has high hopes of making Sunny Heart Travel a household name in the UK, its initial target market. The operator will offer traditional packages and dynamic packages, cruises, tours and ancillaries, from budget hostels to high-end hotels. It has already secured 32 cruise lines and two million hotels as part of its portfolio. Bentzen said the company's selling point would be its lean operational model, built for online sales and offering competitive prices year-round, not just during off peak season. He said the team's experience would ensure it offered a high level of customer service. "Online booking doesn't mean offline customer service, we [will] offer a wide range of contact channels, making us accessible at all times," he said. "We are confident that the UK will soon be back enjoying their holidays again soon, and we are looking forward to being part of that experience." Bentzen said the use of the 'sunny heart' name was a nostalgic 'nod' to his former employer. "The sunny heart logo was more of a 'feeling' and the people displaced by the Thomas Cook collapse were all proud of being part of that," he added. "I really want to attract some former Thomas Cook staff. There are so many of them still searching for new opportunities and I would love to be able to help some of them."

09 September 2020, source Travolution

New Student And Youth Brand Syte Emerges From The Collapse Of STA Travel

A former STA Travel branch manager has launched a specialist youth travel brand. Arron Mitchell, director of travel agency Platinum World Travel, is aiming new venture Syte at “18-30-ish” clients. Syte stands for Student & Youth Travel Escapes and offers a collection of holiday product aimed at the youth market for travellers. STA Travel, a specialist youth travel agency and tour operator with 49 retail stores, ceased trading last month after more than 40 years in business. Mitchell said: “In 2014-2016 I worked as branch manager in Cheltenham and interim national contact centre and travel help sales director in the USA for STA Travel, so I understand the market very well. “We’ve been working on the product range for a few months now with trusted travel partners with suitable products that we feel will suit our younger clients. With the sad demise of STA Travel we’ve bought forward our launch earlier so customers know that there is an excellent selection of products out there for them.” He added: “Syte is an evolved product range that fits in with the diverse youth market today. Whilst backpacking and gap years are still a part of the market, we know that it’s not for everyone, so we have a huge range from round-the-world tickets, working holiday visas, tours, tailor made itineraries, river cruising and ocean cruising.” Mitchell said Platinum World is in conversation with a number of former STA Travel employees about joining the company to focus on the Syte brand. He ruled out opening retail shops initially, but said it is “an area we will be exploring in the future as travel returns to normal”. Two websites, sytetravel.co.uk and sytetravel.com, are under development. Syte sits alongside the company’s core brand Platinum World Travel and sub brands Bristol Departure Holidays, Luton Departure Holidays, Platinum Weddings and Platinum Pure Luxury Holidays.

10 September 2020, source TravelMole

BA Cuts More Flights As Demand Flatlines Again

British Airways is to raise €2,741 billion to help it navigate the Covid crisis as it announced further capacity cuts for the rest of the year. The airline said the funds 'should enable the Group to emerge from the current pandemic in a strong position'. The airline also said it has reached agreements with pilots, engineers and customer service staff, while an 'agreement in principle' has also been struck with Unite over terms for cabin crew. In a trading update, BA said its number of flights will be cut further between October and December, with the airline operating only 40% of its 2019 capacity. It has initially planned capacity cuts in Q4 of 46%. BA said June bookings had picked up after a 'complete cessation' in April and May, but were still down 70% on last year. But since July, BA said overall bookings had 'levelled off' with short-haul demand falling following the introduction of quarantine restrictions. The carrier said it was 'encouraged' by the level of pent-up demand in markets where no travel restrictions for quarantine rules are in place. BA said its overall 2020 capacity has been reduced by 63% compared to 2019, having previously cut 59% of seats. Capacity in Q3 has been cut by 78% compared to 2019, up from 74% previously planned. The number of available seats in 2021 will be reduced by 27% having initially planned for a 24% cut. "Despite a lower capacity in 4Q 2020 than under the previous planning scenario, the Group continues to expect that it would reach breakeven in terms of Net cash flows from operating activities during 4Q 2020," BA said. "This is as a result of mitigating actions taken to reduce operating expenses further and enhance working capital." Long haul has continued to struggle, BA said. "As anticipated, IAG has seen a delayed recovery of long-haul booking activity, impacted by the continued existence of travel restrictions to many long-haul destinations, including North and South America," it said. Long-haul bookings have seen a

modest increase since mid-August. The airline added there was no change to its expectation that it will take until at least 2023 for passenger demand to recover to 2019 levels.

10 September 2020, source Travel Weekly
Saga Shuts Destinology After Sale Falls Through

Saga-owned Destinology has been closed after sell-off plans fell through. The luxury tailor-made worldwide holiday brand's managing director Deborah Windle confirmed the closure. "It is with great regret we have to announce that Destinology Limited is now closed," she said in a message on the firm's website. Saga is known to have been in advanced talks about the sale of Destinology – which had an Atol license for about 30,000 passengers a year – as part of a refocus on its core businesses. But this process is known to have fallen through as due to additional uncertainty surrounding the overall travel outlook and the quarantine rules specifically. Against this backdrop, Saga has decided to wind the business up as it is non-core to its wider tour's interests. It is understood that Saga would have needed to inject significant additional cash to support the business, with limited prospect that the company would be profitable in the next few years. Saga, which revealed half-year losses of £55.5 million today, acquired Destinology in 2014 but instructed bankers in July in a fresh bid to find a buyer after previously seeking a sale last year.

10 September 2020, source Travel Weekly
WTM Will Extend Planned Virtual Trade Show 'If Needed'.

WTM has said it will extend its virtual event this year "if needed" but says new government rules on social gatherings "are not directly related to business events". WTM is scheduled to run as a live event at ExCel London on November 2-4, with a WTM Virtual event due to take place from November 9-11. In July, the government announced that business events and conferences would be permitted to resume from October 1 "provided levels of infection remain at current rates". On Wednesday, prime minister Boris Johnson announced a new "rule of six" to restrict the size of social gatherings in England, saying the move was necessary to avoid another national lockdown, but said the rules did not apply to gatherings for work or education. The government subsequently confirmed it would reduce the number of people allowed at sporting events to pilot the safe return of spectators and said it would "keep under review whether fans will be able to return to sports stadia from 1 October and if people can attend socially distanced business conferences and events". Culture secretary Oliver Dowden added: "In light of increasing transmission rates, the government is reviewing the proposed sports and business events pilots ahead of the 1 October and we will unfortunately need to scale some back. "We know fans and audiences are eager to return, and jobs depend on this too, so work continues around the clock on the moonshot project [for increased testing] with the ambition of having audiences back much closer to normal by Christmas, if safe to do so." A WTM London spokesperson said: "The new government rules are not directly related to business events. We are following government guidance and public health advice very closely. "In case of stricter lockdown affecting business events, we'll ensure that we communicate effectively so we don't impact clients, visitors and all attendees commercially. WTM Virtual will take place from 9-11 November and will be extended if needed."

11 September 2020, source Travelbiz Ireland
Aer Lingus Will Secure 250 Layoffs By End Of Year, Says IAG

Aer Lingus expects to have secured 250 voluntary redundancies by the end of the year, according to parent company IAG. That's about half the total that the Irish airline expects to make redundant as it culls jobs and costs in the wake of the Covid pandemic. IAG, whose

new chief executive is Luis Gallego, also owns British Airways, Iberia, Vueling and Level. British Airways is in the process of reducing headcount by up to 13,000. By the end of August, the headcount there was cut by 8,236, mostly as a result of voluntary redundancies. IAG expects to report restructuring charges of about €330m in its 2020 results associated with employee redundancies. Confirmation of the number of jobs expected to go at Aer Lingus by the year end came as IAG completed a €2.7bn equity raising and said it's also planning deeper capacity cuts next year across its airlines than it previously envisaged. It's also cutting more capacity for the remainder of this year because of the impact of travel restrictions and quarantine requirements, it said. "There has been no change to the group's expectation that it will take until at least 2023 for passenger demand to recover to 2019 levels," it added. IAG now expects to operate 27pc less capacity in 2021 compared to 2019. It had previously anticipated operating next year with 24pc less. For the remainder of 2020, IAG said that it will now have 63pc less available seat kilometres - an industry standard measure of capacity - compared to the 59pc fall it had previously envisaged. For the third quarter ending this month, capacity is expected to be 78pc lower than in the third quarter of 2019, compared to a previously guided 74pc decline. In the final quarter of this year, IAG expects to operate at a level of 60pc less capacity. It had expected to operate at 46pc less. IAG said it still believes it will reach breakeven in net cash flow terms from operating activities in the fourth quarter. "IAG considers that further downside to the latest planning scenario is more likely to be in the form of delays or extensions to the recovery trajectory, for example as a result of partial travel restrictions, rather than a return to full lockdown," it told investors.

11 September 2020, source Travel Trade Gazette

Travel Counsellors Starts Consultation On 100 Head Office Jobs

Travel Counsellors has started a consultation process affecting around 100 employees at its head office in Manchester. The consultation will affect the jobs of "just over" 100 employees – around a third of the company's staff – and comes as the government's furlough scheme is due to end in October. Chief executive Steve Byrne said: "As we move beyond the support of the Job Retention Scheme, we have taken the extremely difficult decision to begin the consultation process with a number of our employees, placing just over 100 back office roles in our Manchester-based support centre at risk. "Since the start of the pandemic, the business has been quick to react and adapt both financially and operationally, with the community coming together to support and look after each other and their customers throughout the crisis." Travel Counsellors said it has launched a dedicated programme to support affected staff focusing on wellbeing, finances and future career development, with employees having the opportunity to "transition" to become a Travel Counsellor franchisee. Byrne added: "We deeply understand the profound impact this will have on our people, which is no fault of their own, and we are 100% dedicated to supporting them by putting every measure we can in place to help these talented people make the right transition for them, and exploring all options to keep as many within the business as possible. "We will also continue to support the industry in its call for dedicated support for talented travel professionals and their valued customers."

14 September 2020, source Travel Trade Gazette

WTM London 2020 To Be Entirely Virtual Event

WTM London will not be held as a physical event in 2020 for the first time in the show's 40-year history, organiser Reed Travel Exhibitions has confirmed to TTG. The travel trade show – and its technology-focused sister event Travel Forward – had been due to take place at London's ExCeL on 2-4 November, but both will now be run entirely virtually. Reed said

“continuing travel restrictions, imposition of quarantine requirements and local lockdowns across Europe” had led to the decision to switch to a digital programme. WTM London senior director Simon Press said: “Sadly, this year will be the first time since we launched WTM London in 1980 that there will be no live event. “We have worked tirelessly to organise a physical show, but the increasing number of travel restrictions and the uncertainty around the world means it will be impractical for many overseas visitors to attend in person. “Additionally, there remains uncertainty around business events and conferences being allowed to take place in the UK – the official deadline for this decision is 1 October. “However, thousands of travel trade professionals from around the globe will still be able to meet and do business in an extensive range of virtual sessions, to help the industry recover, rebuild and innovate.” WTM Virtual will take place from 9-11 November, offering delegates the chance to arrange one-to-one video meetings, attend conference sessions and roundtables and take part in speed networking. Reed said the virtual show will also see an investment summit in partnership with the International Tourism & Investment Conference – and a new Marketing Forum and workshop in partnership with The Five Percent. WTM Virtual will feature four digital theatres hosting webinars and debates. A virtual edition of Travel Forward is also being organised and will combine a digital exhibition, free virtual conference sessions and speed networking for start-ups to meet investors. With its theme - Resilience, Innovation, Response – Reed said Travel Forward Virtual would add a technology-based approach in supporting the recovery of the travel and tourism industry amid the Covid pandemic. Event manager Richard Gayle said: “Travel Forward is the event that embraces fresh concepts and innovative projects to inspire delegates. “This year, running Travel Forward virtually will allow us to connect even more with global travel tech companies wanting to promote themselves to the world. “We are confident Travel Forward Virtual will offer delegates all the support and ideas about how the industry recovery and more solutions to overcome the biggest challenges facing the travel industry.” Ahead of WTM Virtual, London Travel Week will be returning virtually (30 October - 5 November), providing attendees with a chance to learn, network and innovate in the days leading up to WTM Virtual. During London Travel Week, there will be six speed networking sessions on offer allowing exhibitors, brands and destinations to meet before the main virtual show and form business connections. London Travel Week will also provide an opportunity to celebrate the achievements of those in the travel and tourism through virtual awards ceremonies - including the World Travel Leaders’ Awards and the Responsible Tourism Awards. The week will feature summits on wellness, BAME and LGBT tourism, as well as destination briefings and press conferences allowing countries and brands to showcase their activities in the last few months to recover, rebuild and innovate. The UNWTO, WTTC and WTM Ministers’ Summit will also gather tourism ministers and the private sector with a mixture of live and virtual events to set out a roadmap for a safer, greener and smarter future for the sector. The summit is the largest annual gathering of tourism ministers and pledges to bring together around 100 ministers along with 100 industry leaders, entrepreneurs, and experts to help develop the manifesto for recovery. Press added: “We made the decision to transition to a virtual-only event after a great deal of consultation with our industry partners, sponsors, delegates and staff. We know this will be a disappointment to all those who were planning to attend the live show. “However, our main objective has always been to deliver a global show bringing travel professionals from the seven continents, and we are now channeling our energies into the creation of an outstanding, large-scale digital gathering that will enable the travel industry to connect, to network, do business and learn about this new consumer environment. “We will miss meeting you in person at ExCeL but we have the skills, experience and resources to produce an engaging and effective show to support the industry’s recovery. “2020 has been a challenging year, but we pledge to do everything we can for the

travel industry in 2021 and bring you the best live version of WTM London from the last 40 years.”

15 September 2020, source Travel Trade Gazette

Virgin Atlantic: ‘New York – UK Travel Corridor is Feasible’

Virgin Atlantic has repeated its call for a UK-New York travel corridor, as the carrier’s operations chief told TTG he believed the British government “is listening” to industry pleas on airport testing. Corneel Koster, chief customer and operating officer, told TTG the airline thought “a travel corridor to between New York and the UK is feasible” and that pressure was building on government to introduce testing as a means to cut down quarantine time for passengers from certain countries. Koster said Virgin had been lobbying “lots of MPs” on the issue and had been hearing “a growing voice” within Westminster for the introduction of testing. “We think there is an ear listening and we hope that ear will get to action soon because we can’t really waste months on this,” he said. “Our industry was the first impacted by Covid and it will be one of the last to recover. We believe testing is absolutely essential and so is the opening of further travel corridors when safe to do so, getting people moving and the UK government should give further support to the aviation industry as a whole. “Furlough has been tremendously important to aviation and so many other sectors in the UK but we would like to hope that sector-specific support will be considered.” Koster said that among Virgin’s hopes of help from government was the implementation of regional travel corridors – with a prime choice being a link between the UK and New York’s JFK. “If you look at somewhere like New York [that] has lower Covid ratios – could we open a travel corridor between the UK and New York – it’s something we’re lobbying both countries’ government’s on because it will be a while before travel can be completely unrestricted and free and, in the meantime, we strongly believe there is a need to get travel going. “We normally operate seven flights a day to New York JFK and we’re now at one a day, so clearly that [route] is so important. It’s only essential travel [to the US] so it’s extremely restricted as to who can enter or who can enter the UK without quarantine. “Getting a travel corridor between New York and the UK would be very important to Virgin Atlantic but also other transatlantic players.”

15 September 2020, source TravelMole

Brand USA Believed To Have Ditched WTM

Brand USA is understood to have pulled out of London's WTM in November and ITB in Berlin next year. WTM announced earlier this week that this year's event will be entirely online due to Covid-19. However, a source close to Brand USA told us that the marketing organisation isn't going to take part in November. It is also understood to have decided against exhibiting at ITB in 2021. This year's ITB was cancelled, also due to the pandemic. Brand USA, a public-private partnership, had already planned to reduce its presence at both shows prior to Covid-19. It launched its own standalone business-to-business event, Travel Week, in London last September. It was planning to stage the event in London again this year, before taking it to continental Europe in 2021. TravelMole has approached Brand USA and WTM for a comment.

16 September 2020, source Travel Daily Media

It’s Comeback Time: Thomas Cook Returns As Online Travel Company

Thomas Cook has been relaunched today as an online-only travel business following the acquisition of one of the best-known names in travel by international leisure company Fosun Tourism Group. The new ‘Covid-ready’ travel company will initially sell holidays to destinations on the government’s safe travel corridor list. Licensed by the CAA and Atol-

protected, the new Thomas Cook has launched as a purely online business via a new website here, offering customers thousands of hotels and flight routes so they can design their own holidays. At launch, holidays will be available in popular beach destinations and cities in countries including Italy, Greece and Turkey, in line with the current travel corridors. Customers will be able to choose from room-only to all-inclusive options, across three, four and five-star hotels. Examples include a three-night break in Rome in November at the four-star Grand Hotel Fleming for two adults flying from Gatwick. Or a family of four can stay for a week all-inclusive at the five-star Crystal Green Bay Resort & Spa outside Bodrum on 11 October flying from Liverpool. The new website puts customers in control of their own holiday, with the ability to design their trip according to their budget, needs and specifications. Add-ons will include transfers, car hire, airport parking, currency and travel insurance. Over the coming months, Thomas Cook will continue to invest in its digital offering to adapt to changing holiday needs and lifestyles, including adding new flight partners and other travel options, as well as additional hotels and other types of accommodation. Further destinations will be added when government restrictions are lifted. Fosun Tourism Group – one of the world’s largest leisure companies which also owns Club Med – acquired the brand and online assets of Thomas Cook in November last year. The new company will retain the brand’s familiar ‘Sunny Heart’ logo. Alan French, Thomas Cook’s UK CEO, said: “We have reinvented one of the most recognisable names in British travel. Our new business will combine fantastic UK based customer service with an updated operating model protected by Atol and with the backing of a multi-billion-dollar organisation. We are launching now clearly aware of the short-term challenges posed by the pandemic. We and our Fosun backers are taking the long view and we want to offer choice, customisation, and 24/7 on-holiday customer care to families who wish to travel now and in the future.” “We know Brits are keen to travel but feel nervous about safety and any changes to government rules on quarantine. We are only selling destinations on the travel corridor list and all the hotels are flexible. We also won’t charge customers a fee to change their holidays if government rules change,” French added. Giving more information about the new website, he said: “We will offer customers choice and a better booking experience. Our website is designed to be fast and simple to use and our priority is to ensure customers can book their holiday with absolute confidence. Thanks to new ownership and a new robust financial structure, customers can be reassured their money is protected. We will use a trust model to ring-fence customers’ payments, meaning Thomas Cook only receives customers’ money once they’ve returned from holiday.” Jim Qian, chairman and CEO of Fosun Tourism Group, said: “Thomas Cook has a proud heritage and after acquiring the brand last year we wanted to quickly return it to its home in the UK. Supporting the growth of the brand in China and its relaunch in the UK is a big step in our plan to turn Thomas Cook into a global success story and a key milestone in the development of the Fosun Tourism Group’s strategy.” Alan French added: “Re-launching Thomas Cook as a business designed for today’s holidaymaker is an honour. What happened last year was a tragedy at a personal level for many thousands of my former colleagues, our business partners and of course our loyal customers. The resilience and affection still felt for the Thomas Cook brand reflects the huge commitment and professionalism of those former colleagues. We are very much in their debt and hope to have their backing as we look to take the brand into a new era.”

16 September 2020, source Travel Weekly

Brits Still Uneasy About Travelling, Survey Suggests

Barely one in 10 UK adults would ‘feel comfortable’ booking an overseas holiday to depart in the next two months and the industry may have to wait up to a year before as many consumers feel sure about travelling as don’t. That is according to a study of 1,600 UK

adults by YouGov. It found 84% would not feel comfortable booking a holiday less than one month in advance and only 10% would. The proportion 'comfortable' booking further in advance was barely higher at 11% for one to two months and 13% at three to four. More than two-thirds of respondents (69%) remained uncomfortable with booking five to six months out and only 17% were happy to book. Only at six-to-nine months in advance did YouGov record a significant rise in the proportion 'comfortable' to book to 26%, compared with 57% who remained uncomfortable – and only at nine months to a year did the proportion of respondents comfortable (41%) match those not (40%). YouGov UK head of data products Amelia Brophy told Travel Weekly: "People are still reluctant to book trips abroad [and] last-minute quarantine policies and sudden spikes in cases in some countries are likely to have increased this sentiment. "People slowly become more comfortable as the departure date extends into the future. [But] over half of Brits still find booking a holiday half a year to nine months in advance too precarious." The survey found 50% would be uncomfortable visiting a hotel and 45% uncomfortable visiting a restaurant abroad. However, 50% would be comfortable on a foreign beach. Brophy said: "Many people simply feel nervous about going to a hotel or restaurant abroad." YouGov polled 1,652 UK adults on August 18-19. A separate YouGov poll on September 7-8 found almost half the 1,680 UK respondents (47%) thought the government should "quarantine all passengers on all flights into Britain".

17 September 2020, source Travolution

British Millennials Kept Travelling During Pandemic, Claims HolidayPirates

British millennials continued to travel during the summer of 2020, according to a latest survey of deals specialist HolidayPirates' audience. The platform that has built its brand on social media reported that 63% of its British users, the majority of which are aged 24 to 44, pressed ahead with holiday plans in the summer. Although 45% had their holidays cancelled, 50% plan to travel again this year with 66% saying that they want to travel in September or October. A further 34% will wait until the end of the year. The survey found 66% of Brits travelled by car for holidays this summer, with 55% of respondents opting to holiday within the United Kingdom. Thirty-three per cent went on holiday by plane, while 9% took the train. The most popular holiday type for British travellers was beach with 56% deciding to head to the coast in July and August. The countryside was the favoured option for 30% of British holidaymakers while city breaks attracted 19% of travellers and the mountains 11%. Just over a quarter (26%) spent time with family. Of 37% who did not travel at all this summer, 42% postponed to travel later. A quarter of respondents said they did not want to travel anytime soon. Of those who said they wanted to travel again this year, 33% did not know when and of the 18% who said they won't travel in 2020, 81% say they will not do so until spring 2021. The Holiday Pirates' survey found 64% of respondents did not lose any money because of travel cancellations, 14% lost up to £200 and 9% lost between £200 and £400. Of those whose trips were cancelled, 28% have already received a full refund, while 10% received a voucher and 12% nothing at all yet. Phil Salcedo, vice president global content at HolidayPirates Group, said: "It just shows how much people value and need a holiday even in difficult times, and it's a pattern we saw in our users across Europe."

18 September 2020, source Travel Weekly

Thomas Cook Owner Plans Concept Stores

The Chinese owner of the relaunched Thomas Cook online brand in the UK plans to open physical 'concept stores' in its home country. A handful of bricks-and-mortar Thomas Cook stores are to be opened, starting with Shanghai early next year. Fosun Tourism Group, which also owns Club Med, relaunched Thomas Cook in China in July and has attracted more than 170,000 customers. The reintroduction of the brand in the UK as an online travel agency is

only “phase one”. Brands under Fosun Tourism, which include Club Med, Casa Cook and Cook’s Club, will be incorporated into the Thomas Cook’s online product system in the UK to create “synergy effects”. The stores planned in China will be “multi-functional and more than just travel agencies”, but not be on a large scale. The first outlet will feature attractions such as skiing machines and ski instructors, cafes serving exotic drinks and children’s education classes. Fosun Tourism chief executive and chairman Jim Qian told the BBC: “We want to test a lot of things in China which in the future can be launched globally. “These new-style concept stores show our commitment to having a solid offline presence, building on physical resorts like the Club Med chain.” The UK brand entered into a joint venture partnership with Fosun in 2016 and then became fully Chinese-owned after it collapsed a year ago. Qian added: “In China, Thomas Cook has been relaunched as more than just an online travel agency. Instead, it is a lifestyle platform which offers a range of related products and services.” This lifestyle platform includes hotels, tickets, entertainment, education and retailers selling gifts and souvenirs. It also includes a delivery firm to help holidaymakers transport bulky purchases back home. “We launched as an online travel agency first in the UK but we want to add more and more so it becomes a similar platform,” Qian said. Although the timing of the UK relaunch has been questioned given the current Covid-19 travel-related downturn and strict restrictions still in place, Qian said: “It was a soft launch to test the process and make sure things are working well ahead of a full recovery. We will gradually add more products on this platform.” Fosun has already seen a strong recovery in tourism within China from the pandemic for all its travel and leisure brands. Club Med resorts are gradually reopening globally and Fosun wants to expand the all-inclusive brand. It has started building 10 new resorts to be ready for the end of 2022 and has more in the pipeline. A new concept called Club Med Joyview has been introduced in China aimed at short city-break travellers. “The companies that can survive this travel downturn will be much stronger on the other side as they have shown they can be efficiently managed,” Qian said. The UK online relaunch of Thomas Cook is aimed at further strengthening the group’s development of the channel “and the creation of the tourism products diversification in Europe, together in efforts to form the Thomas Cook Lifestyle Platform,” according to Fosun. Qian said: “Supporting the growth of the brand in China and its relaunch in the UK is a big step in our plan to turn Thomas Cook into a global success story and a key milestone in the development of the Fosun Tourism Group’s strategy.” Fosun Tourism plans to develop at least 25 resorts under Casa Cook and Cook’s Club brands in the next three years.

21 September 2020, source Travel Weekly

Fall-off In US Travel ‘Set To Cost £11bn,’ Aviation Chiefs Warn

Failure to reopen key UK-US airline routes will cost the coronavirus-hit economy £11 billion this year, a new study warns. The research was jointly commissioned by Airlines UK, British Airways owner International Airlines Group, Heathrow and aviation services firm Collinson Group. The number of seats on aircraft between the UK and US dropped by 92% in April compared with a year earlier. Capacity was still down by 85% in September despite a marginal rise in recent months. The decline in travel between the two countries, including visitors and trade, would cost the UK economy at least £11 billion by the end of the year. The closed air corridor between the US and the UK will be costing the UK economy £32 million each day from the start of October, according to the research. The US is the largest single source of inbound tourism and business travel to the UK, with spending from this group amounting to £3.8 billion in 2019. It is expected to drop to just £700 million this year. The report from consultancy York Aviation concludes that while the closed border has had a major impact on the aviation sector, the impact across the entire UK economy is “devastating”. British travellers are currently banned from entering the US while those

arriving from the US into the UK are required to isolate for two weeks. Airlines want a two-test solution to be trialed on the London-New York route in which passengers are screened on departure or arrival followed by a second test up to five days later. Two negative results would release passengers from the need to quarantine for two weeks. Talks between the Department for Transport and its US counterpart over a trial programme between the two cities, the world's busiest long-haul route, have been held. But sources indicated the process had stalled as attention is increasingly focused on combating a second wave of the virus, according to the newspaper. The boss of Heathrow, which has set up a testing facility capable of carrying out 13,000 tests a day, has insisted it would use private laboratories not used by the NHS to avoid adding further pressure on the system. The PCR test detects the presence of Covid-19 on a saliva swab. The London hub's chief executive John Holland-Kaye said: "This is a stark warning that action is needed immediately to safely open up connections with our key trading partners in the US. "We can start with flights to New York, a city where infection rates are now lower than here, and which is the UK's most valuable route. PCR testing in private labs, both pre-flight and on arrival, would ensure there is no risk of importing Covid and could pave the way to a common international standard for aviation testing." Airport-based Covid-19 testing is already being carried out by more than 30 countries. It is in use at more than half the world's busiest airports including Paris Charles de Gaulle, Tokyo Haneda and Dubai International. BA chief executive Álex Cruz said: "Government inaction on aviation and its impact on Britain's economy couldn't be clearer. Time is running out. Ministers must reach agreement with their US counterparts on a testing regime that minimises quarantine and permits regional travel corridors to reopen the UK-US market." Virgin Atlantic chief executive Shai Weiss said: "Our economic recovery will not take off without the free movement of people and goods. "The closure of the US border since mid-March, coupled with the UK's 14-day quarantine policy, effectively cuts us off from our most important economic partner. "We need urgent government action now to introduce regional travel corridors for mainland US states, starting with New York and New Jersey where infection rates are lower than in the UK. "Fourteen-day quarantine must be replaced by a robust passenger testing regime for countries and regions where the risk is higher. "More than 30 countries have already stolen a march and introduced passenger testing. If we don't act now Britain will be left even further behind, putting many more thousands of jobs at risk across the country." Tim Alderslade, chief executive of trade body Airlines UK, said: "In the absence of a vaccine, testing for arriving passengers, alongside regional travel corridors, remains the only way to resume international travel." The report came as retail, leisure and tourism leaders across Britain wrote to Rishi Sunak urging him to reinstate tax-free shopping for international visitors to secure an immediate £5.6 billion boost to the UK and avoid up to a £10 billion loss to the wider visitor economy. The Association of International Retail alongside the bosses of leading tourism, retail and real estate businesses including Marks & Spencer, Manchester airport, Heathrow and Fenwick voiced concern over Treasury plans to close tax-free shopping at the end of the year. The decision undermines Britain's £22 billion tourism industry and will cost 70,000 retail jobs and £10 billion¹ in lost visitor economy trade at a time when the industry is 'already reeling from the impact of COVID-19' according to the letter. The letter to the chancellor highlights VisitBritain figures showing that shopping is one of the most popular reasons for overseas visitors. It warns that the government is throwing away the opportunity to receive an extra £2.1 billion of sales from visitors from the EU who would have been eligible for the scheme after Brexit, meaning that the total hit to the economy of the decision is £5.6 billion. Tax-free shopping initiatives similar to the UK's VAT Retail Export Scheme are common around the world, with governments waiving local sales taxes to attract tourist spending across the wider economy. They also recognise that many visitors incur import duties on goods when they return home.

Most countries have digitised their schemes, something that the letter highlights that the HMRC has been promising and failing to deliver for years. The signatories to the letter have offered to implement such a solution immediately at no cost to the tax-payer in recognition of the importance of the scheme to their livelihoods, Jane Sharrocks, chair of Manchester Business Improvement District, said: “The decision to withdraw tax free shopping entirely rather than extending it to the EU will have untold impact on the local economy in Manchester and the UK economy as a whole. “International visitors and their tax-free spending are supported by a wider tourism ecosystem beyond just retail, including leisure, hospitality and travel.” A Treasury spokesman told the BBC: “We’re making use of the end of the transition period to bring our personal duty and tax systems in line with international norms. “This was subject to a full consultation, and VAT-free shopping is still available because retailers are able to offer it to overseas visitors who purchase items in store and have them sent directly to their home addresses.”

22 September 2020, source TravelMole

Govt Urged To Open US Corridor Amid Warning UK Is Losing £32m A Day

Multi-million-pound trade deals are at risk unless the government gives its backing to an airport testing trial to open up UK-US flight routes. Research commissioned by Airlines UK and Heathrow airport shows British business is losing £32 million a day because there is no 'air bridge' between the two countries. They want to start a pilot scheme, between London and New York City, in which travellers would quarantine, then be tested before flying, and get tested again at the other end. In an article for The Daily Telegraph, Heathrow Chief Executive John Holland Kaye urged the government to back the trial. He said: "If you believe in Brexit and a truly global Britain that leads the world in trade, restarting safe travel and trade with the US must also be your battle. As long as the skies between the US and the UK remain closed, Brexit will not mean Brexit." He told Radio 4's Today programme that the importance of connections between the UK and the US cannot be overestimated. "It's hugely important for tourism and business. Unless we can start to normalise trade with the US, then jobs will be lost." He said the pilot programme between New York City and London would be a 'good place to start'. "We can control who is flying from where, with testing before people get on planes, quarantining at home before flying, then taking another test on arrival." He added the pilot could become a 'common standard' that could be replicated around the world and 'globally get moving again'. The study, by analysts York Aviation, found that the UK GDP will lose £11 billion as a result of the closed route between the US and the UK with a significant proportion falling in the final quarter of the year. "By the beginning of October, the closed air corridor between the US and the UK will be costing the UK economy £32m each day the air corridor remains closed," said the report. This is based on a collapse in passengers of 92% from March, when lockdown was introduced, to 85 per cent in September, compared with 2019. The study found it was not just London and the South East that were being with 80 weekly flights between the US and six regional airports also currently on ice.

23 September 2020, source Travel Weekly

Attraction World And Iglu Start Redundancy Talks

Travel companies have been urged to “prepare for the worst” when the furlough scheme comes to an end next month as more travel companies began consultations with staff this week. Iglu and Attraction World both confirmed they had started consultations with staff over potential redundancies, and ground handler Menzies Aviation began consultations over 1,050 jobs at Heathrow and 176 at Luton airport. Up to 1,000 furloughed staff at Butlin’s may also be put on long-term unpaid leave this winter. Iglu chief executive Richard Downs said the

cruise and ski specialist agency, which employs 400 people, was looking to cut operational costs by 40%-50%. He said “all avenues” to retain jobs had been explored and that a “full strategic review” would “reshape” the business “with the goal of emerging from the pandemic stronger”. An Attraction World spokesman said “our commitment to supporting the trade remains as strong as it has always been” while confirming redundancies were expected in operational and administrative roles. Tui this week confirmed an existing plan to axe 8,000 group-wide jobs in the wake of an 83% year-on-year plunge in summer bookings. Industry leaders speaking at Travel Weekly’s Future of Travel Week predicted no extension to the government’s furlough scheme, which is due to end on October 31. Accountant Chris Photi, head of leisure and travel at White Hart Associates, said the government’s “furlough cash is running out” and predicted: “Unfortunately, unemployment is going to rise severely”. Jet2holidays chief executive Steve Heapy said: “Everybody knows [furlough] is going to end.” Noting the government “can’t keep funding this forever”, he said: “As a business, you’ve got to prepare for the worst.” Writing for Travel Weekly, industry veteran Steve Endacott warned of a looming ‘Redundancy Day’ as furlough draws to a close. Westoe Travel owner Graeme Brett wrote to Abta to suggest the association use furloughed agents and tour operator staff to help process claims related to failed firms.

25 September 2020, source Travelbiz Ireland

80% WILL BOOK WITH AN AGENT IN FUTURE

John Galligan (MD John Galligan Travel) posted this piece during the week which I am happy to share with you in this week’s Travelbiz E zine. In a recent survey in the UK 80% of respondents said they would book with an agent in the future. 60% of people who usually book online said they would use an agent instead, next time. The reasons cited are problems associated with communications to online vendors, poor service levels, slow refunds, and a lack of financial security - unlike that provided by local travel agents. In other words, the tide has gone out and people are beginning to see who has been swimming with no togs on! Travel agents are friendly, human people who look after you. The financial security we offer, guarantees your money, regardless of what happens to us. In a crisis we call you. We don't hide behind web sites, chat bots or (worst of all) total silence. Not everyone appreciates what we do but we are OK with that. The people who we look after know how valuable our service is and how little we charge for it.