

## UK Office March 2020 TDC Report

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UK Director

### Tour Operators

- **Scott Dunn** – We had a meeting with Nicola Holliehead, Destination Manager for North America, to better understand the brand, its current portfolio in the USA and their planned strategy for 2020 and beyond. Nicola heads up the global US product except for any ski-related content. Scott Dunn is a high-end operator specialising in luxury holidays for affluent UK consumers. They have a strong repeat client base and its personal travel consultants know their customers extremely well. Nicola has been completing a product and contracting review since joining towards the end of 2019. Customers require concierge level service - guests don't want to share their time, they want exclusivity and reliably luxurious accommodation choices. Nicola will be reviewing hotel and villa options and will follow up with content requirements.
- **If Only** – We conducted a telephone meeting with Calum Findlater, Product Manager for North America. Calum advised the office was open but limited to reservations and after sales staff only, all other employees had been told to stay at home for the foreseeable future. All staff have been asked to reduce working down to 4 days per week. 9 out of 10 calls are for amendments and the majority of bookings are being moved to the same or similar dates in 2021. Suppliers are being flexible and If Only are not applying any additional change or cancellation fees. Biggest frustrations are the immediate repatriations, especially with the UK/Ireland bans on travel and removal of airlift. There are still bookings being receive but they are few and far between. All paid marketing has been put on hold and they are currently trying to formulate a 'Recovery Marketing Plan' for when things do change – they will be looking to all partners to assist when the time comes.
- **Kenwood Travel** – We had a telephone meeting with Oliver O'Boyle, Product Executive for North America. The call was focused on the impact of the Coronavirus and how it was affecting Kenwood's business at this time. Oliver advised they were pushing customers to amend instead of cancel, and that they still had live bookings in their systems for April, May and June. The biggest challenge in front of them was dealing with the immediate reservations. There were no new bookings being made or enquiries; they have cancelled all PPC and postponed paid campaigns. Majority of sellers already work from home and they are managing calls well. However, some good news... the two travel consultants that were hosted on the fam at the start of the month had an absolutely amazing time and loved the destination! They were especially grateful to Michelle, who they said was "such a lovely lady" and "went out of her way to make them feel welcome and comfortable". Well done Michelle! We have asked Oliver to provide us with a copy of their post-fam trip report.

## Meetings/Training/Events

- **FDM Travel Show, Copenhagen** – We collaborated with Fort Lauderdale for this year's FDM consumer show, which we staffed. The show was extremely well attended with approximate figures of around 4,000 consumers (FDM still to confirm), which is an increase on 2019. People were consistently coming past and up to the stand and we engaged with a significant number of these consumers answering general questions about the destinations, providing suggestions on where to stay/what to do and passing out collateral. Nearly all of the collateral for both destinations was distributed along with all of the giveaways. This is definitely a worthwhile show to attend because of the high level of quality engagement.
- **Visit USA Association UK** – We attended an update meeting that was held in London and were advised the following. Planning for the 2021 Visit USA travel planner are underway, they are looking to partners for meaningful lifestyle content and photos. The website continues to see growing traffic and the blog in particular received over 95k views. There were presentations from News Corp. Media, Spinning Globe (a 'virtual' fam trip start-up) and BVA BDRC, an international research group, the latter of which we have signed up to receive their free travel insights report when it is published later this month.
- **Glen Travel** – Our meeting with Alan Glen, Managing Director of Glen Travel in Glasgow that was scheduled for the 30<sup>th</sup> March has been postponed until further notice.
- **Virgin Holidays Braehead** – Our planned visit to our sponsored Virgin Retail store in Braehead has been postponed until further notice as the store is now closed due to UK government guidelines amid the Coronavirus pandemic.
- **Visit Florida Partner Event** – We have advised Visit Florida that we would like to again partner on their summer sailing event which this year will be taking place on the 17<sup>th</sup>/18<sup>th</sup> June. Further details to follow shortly if this does indeed continue to take place on the proposed dates.

## TRADE LIAISON

- **Tour America/Experience Kissimmee/Visit St. Pete/Clearwater** – The joint campaign has now ended and results will be with us in the next 4 – 6 weeks. During the month of March Travelbiz ran an article on the cinema event that took place in February and we received great coverage to the Irish travel trade in their e-newsletter.
- **BA/BA Holidays** – The campaign due to launch 28<sup>th</sup> April has been postponed until further notice.
- **Ocean Holidays** – Ocean Holidays have confirmed that they plan to postpone the co-op marketing campaign and staff incentive as reported last month. The campaign which is due to run in May/June will have to be postponed due to the Coronavirus outbreak and the suspension of flights from the UK to the US. We will be readdressing this in a few months.

- **VSPC/Experience Kissimmee/SeaWorld Parks & Visit Tampa** – The planned training mission that was due to take place in April has been postponed until further notice.
- **USAirtours/TravelPlanners** – Work continued at the beginning of the month on the co-op marketing campaign in partnership with USAirtours/TravelPlanners. We have been advised by Linda Dixey that the campaign elements remaining have been postponed for the time being but that they will be extending our Destination of the Month activity (website & banner ads) until the beginning of June due to the ongoing uncertainty with the coronavirus outbreak.
- **Funway Holidays** – We have confirmed our participation in the Funway Holidays Florida Beaches 2020 campaign but have been advised this has been placed on hold for the time being and will not start in April as originally planned. Funway holidays will be in contact with us as soon as they are able to advise when this is likely to run.
- **VIP Client Event** – The event due to take place on 14<sup>th</sup> May has been cancelled.
- **Virgin Holidays Braehead** – We have suspended discussions with Marie Cassidy, Branch Manager at our Braehead sponsored Virgin Retail store in regards to the next in-house staff fam trip and we will revisit this discussion as soon as possible.
- **Gold Medal Travel** – We have received the proposal for a national in-store promotion via Gold Medal Travel with their independent travel agencies and have decided to run this campaign in the later part of our fiscal year (August/September). Gold Medal will be back in touch with us at the end of June. The campaign will include: E-shot large banner ad plus agent communication A4 PDF and agent tools inclusion to 3,000 independent travel agents, a dedicated 6-page consumer travel guide (10,000 copies) and online promotion, a retail merchandising kit to their top 100 independent agencies, in-store point of sale dedicated stacking cubes (20 top stores) and an in-store cling vinyl point of sale 820mm x 290mm (100 top stores).
- **Tour America** – Discussions continued to take place with Tour America with regards to planning an in-house staff incentive but has now been postponed until further notice. This will be revisited at a suitable time and as and when people start to book holidays rather than postpone or cancel them due to the Coronavirus and suspension of flights to the US.
- **UK Office Weekly Updates (Trade & Consumer)** – We have started the collation of trade and consumer feedback from our trade partners as well as information of trade & consumer media articles (consumer media feedback received from Rooster PR) and plan on sending these back to VSPC on a weekly basis and which started from the end of March.
- **Visit USA Ireland** – We were asked by Tony Lane at the Visit USA Committee in Ireland to provide them with details of anything they can use for website content and social media promotion and we have duly sent a selection of links including virtual experiences in our area for them to utilise.

- **UK Office Weekly Newsletters** – We have started and will continue to send a weekly email to our top trade partners promoting things such as the VSPC Virtual Video Links and to offer our assistance to these partners if needed in the coming weeks.

## **ENQUIRIES:**

Telephone/website enquiries for information and/or literature

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## **MARKET INTELLIGENCE**

02 March 2020, source: Travel Newsgram

### **Virus to cost world tourism at least US\$ 22 billion**

The deadly coronavirus epidemic will cost world tourism at least \$22 billion owing to a drop in spending by Chinese tourists, the head of the World Travel and Tourism Council (WTTC), Ms Gloria Guevara said. The economies most likely to suffer would be those most dependent on Chinese tourism, such as Hong Kong and Macau, Thailand, Cambodia and the Philippines, researchers found. The COVID-19 epidemic has killed more than 2,760 people, mostly in China -- where it first emerged in December -- and infected more than 81,000 in over 45 countries. "It is too soon to know but the WTTC has made a preliminary calculation in collaboration with (research firm) Oxford Economics which estimates that the crisis will cost the sector at least \$22 billion," Guevara added. "This calculation is based on the experience of previous crises, such as SARS or H1N1, and is based on losses deriving from Chinese tourists who have not been travelling in recent weeks," she said. "The Chinese are the tourists who spend most when they travel." The loss figure, which equates to about 20.2 billion euros, is the most optimistic scenario envisaged by the study, which was published on February 11 by Oxford Economics, taking the hypothesis of a 7.0 percent drop in overseas trips by Chinese nationals. But the losses could more than double, reaching as much as \$49 billion if the crisis lasts as long as the SARS outbreak, which erupted in November 2002 and was brought under control in July 2003. And it could spiral to \$73 billion if it lasted longer than that, Oxford Economics said. The economies most likely to suffer would be those most dependent on Chinese tourism, such as Hong Kong and Macau, Thailand, Cambodia and the Philippines, researchers found. On Wednesday, the WTO urged countries to avoid taking health measures that would cause "unnecessary interference with international traffic and trade" saying travel restrictions needed to be proportionate to ensure they did not have "negative repercussions on the tourism sector".

02 March 2020, source: TTG

### **BA trims US and Europe flight schedules due to Coronavirus**

BA will consolidate a number of flights over 16-28 March, including its Heathrow-JFK route, as well as short-haul flights to mainland Europe. "We will be contacting customers on cancelled flights so we can discuss their travel options, including rebooking onto other carriers where possible," said BA. BA is also offering full refunds, or the option to book onto flights at a later date. It has also pledged to waive its change fee, giving customers the option to delay any travel booked for the next two weeks; the change will apply to new bookings from Tuesday (3 March) through Monday 16 March. BA said its "book with confidence"

policy covered all routes and changes right up to departure, although any date differences will still be payable by passengers. Andrew Brem, BA chief commercial officer, said: "As some customers may choose to change or delay their travel plans at the moment, it's important we offer them greater flexibility. By waiving our change fee our customers can have the added confidence to book a trip with British Airways that suits them." It comes after Ryanair on Monday (2 March) said it was cutting up to 25% of its short-haul flight programme, with a particular focus on flights to and from Italy owing to a "significant drop in bookings" for late March through early April. BA will cancel 12 Heathrow-New York JFK flights (17-28 March); 171 short-haul roundtrips from Heathrow to Italy, France, Austria, Belgium, Germany, Ireland and Switzerland (17-28 March); seven short-haul roundtrips from Gatwick to Italy, France and Albania (16-25 March); and 26 short-haul roundtrips from London City to Germany and Italy (17-28 March). "Customers on cancelled services will be offered the option of a full refund, rebook to a later date or rebook on other carriers where possible," BA added.

03 March 2020, source: TTG

### **Travel Republic office shut after employee tests positive for Coronavirus**

The individual is now receiving medical attention. "As a precaution, we have closed our offices today while a deep clean is undertaken, and we receive further advice from the relevant authorities," said a Travel Republic spokesperson. "All staff have been notified and encouraged to contact the NHS 111 if they are concerned or feel unwell. Our primary concern at this time is the health of our staff, and we're working with the authorities to ensure best-practice guidelines are being followed."

04 March 2020, source: TTG

### **Travel Republic office set to reopen after Coronavirus case**

The offices will reopen on Wednesday (March 4) after they were deep cleaned twice, "and other measures taken on the advice of Public Health England", the OTA told *TTG* in a statement. "Following liaison with Public Health England, Travel Republic will be reopening its Norbiton offices tomorrow. Staff have been provided with guidance concerning continued monitoring of their personal health, and measures have been imposed across our whole organisation to ensure hygiene best practise is followed. We are fortunate that our business continuity plan enabled Travel Republic to operate as normal during this period, but we are looking forward to welcoming everyone back to the office tomorrow. We want to thank our partners across the trade for their support today." Travel Republic said thanks to its "business contingency plan", it had been able to continue to trade as normal. Key operational functions, including sales and customer service, have been rerouted to other areas of the organisation, and flexible working arrangements made for "business-critical" members of staff. "We want to thank our partners in the trade for their support in these circumstances and wish to reassure them that it is business as usual," the spokesperson said. Travel Republic said it was awaiting guidance from Public Health England as to how long the Travel Republic offices needed to remain closed. "In the meantime, we remain in regular contact with all Travel Republic staff and our priority remains their health and wellbeing," the spokesperson added.

04 March 2020, source: TTG

### **Virgin Atlantic waives flight change fees for new bookings**

The policy is available to passengers with a ticket purchased between 4 March and 31 March for travel up to and including 30 September. New tickets can be reissued up until the day before departure. Virgin's new rules apply to all international routes, including departures from Heathrow, Gatwick, Manchester, Glasgow and Belfast, and all tickets booked on transatlantic codesharing routes operated by Delta, Air France and KLM. Virgin said the move was designed to "protect customers from the challenges the emergence of Covid-19 presents." Juha Jarvinen, Virgin Atlantic chief commercial officer, said: "We understand that, with evolving travel advice, some of our customers may wish to build in some flexibility to upcoming travel plans. "Putting our customers first, this new policy enables them to continue with their Virgin Atlantic booking this month, with the peace of mind that there is the option to change their flight at a later date, without incurring a fee." Virgin's Heathrow-Shanghai operations will remain suspended until 19 April, while its Heathrow-Hong Kong schedule has been revised owing to the impact on demand of Covid-19.

05 March 2020, source: TTG

### **FlyBe collapses into administration placing thousands of jobs at risk**

The airline's fate was confirmed during the early hours of Thursday morning (5 March) when administrators were appointed and after aircraft began to be impounded at various UK airports upon landing on Wednesday night (4 March). The news will come as a major blow to travellers across the country who relied on the Exeter-based airline for regional connectivity, with some airports reliant on Flybe for the majority of their traffic. "Flybe entered administration on 5 March 2020, and Alan Hudson, Joanne Robinson, Lucy Winterborne and Simon Edel of EY have been appointed as joint administrators," read a statement posted on Flybe's website. "All flights have been grounded and the UK business has ceased trading with immediate effect." The news comes almost two months after a rescue deal, comprising a £100 million state bailout, was reportedly struck between Flybe, its investors and the government. However, Sky News on Wednesday reported the airline had asked ministers for additional emergency financial support amid claims the talks over its state-backed loan had failed. Meanwhile, a source cited by BBC News said the impact of the coronavirus on recent sales had "made a difficult situation far more difficult". Administrators EY confirmed Flybe had around 2,400 employees when it collapsed, the "majority" of whom will be, or have been, made redundant. Channel Islands carrier and Flybe franchise partner Blue Islands said it would continue to operate despite the closure of Flybe, advising passengers booked on its services to check in on time at their departure airport. "If you already have a booking for 5 March, please check in on time. It will be possible to book any available seats on Blue Islands-operated services at the airport," a statement read. "Those seeking to book travel are asked to attend the airport and enquire of availability and flight information there. Sale of all new seats on these services for tomorrow will be flat-rated at £50 one way (inclusive of baggage) until such time as Blue Islands has re-established full functionality of its dormant dynamic booking tools, which is expected within the forthcoming days (at which point further announcements will be made). Blue Islands is saddened by the closure of Flybe. Our thoughts are with the staff, passengers, industry colleagues and wider stakeholders of the business affected at this difficult time. We wish to thank all of our passengers and airport partners for their patience and support during this transitional period." Fellow Flybe franchise partner Eastern Airways said in a statement: "Passengers booked to travel today [Thursday], Friday or Sunday on flights operated by Eastern Airways should turn up and travel as normal following the closure of Flybe. Announcements will be made here on the Eastern Airways

website about flights for next week onwards.” Flybe had been set to be rebranded to Virgin Connect later this year after it was acquired by the Virgin Atlantic-led Connect Airways consortium in early 2019, staving off Flybe’s demise then. Under Connect’s strategy for Flybe, the carrier was to drop its long-standing purple livery and adopt Virgin’s signature red branding. It would then have been used as a regional feeder airline, operating from 12 UK bases, for Virgin’s long-haul operations from Heathrow, Gatwick and Manchester. Flybe’s customers have been told not to travel to their departure airport unless they have made alternative arrangements with another carrier. “Please note that Flybe is unfortunately not able to arrange alternative flights for passengers,” said the Flybe statement. Anyone with bookings sold by another airline that include travel with Flybe should contact their airline or travel agent for information on whether there will be any impact on their travel plans. Flybe customers are also advised to monitor the CAA website for further information. Flybe employees, creditors and suppliers have been advised to contact the administrators. The CAA further confirmed Flybe has entered administration on Thursday morning, stressing all Flybe flights and those operated by Stobart Air had been cancelled. “Please do not go to the airport as your flight will not be operating,” said the CAA. “Flybe customers are therefore urged to make their own alternative travel arrangements via other airlines, rail or coach operators. For flights operated by Flybe franchise partners (Eastern Airways and Blue Islands), passengers should make contact with that airline to confirm their travel arrangements.” CAA chief executive Richard Moriarty said: “This is a sad day for UK aviation, and we know that Flybe’s decision to stop trading will be very distressing for all of its employees and customers. We urge passengers planning to fly with this airline not to go to the airport as all Flybe flights are cancelled. For the latest advice, Flybe customers should visit the CAA website or the CAA’s Twitter feed. Flybe also operated a number of codeshare partnerships with international airlines. If you have an international ticket you should make contact with that airline to confirm your travel arrangements.” The CAA added that unlike the collapses of Monarch and Thomas Cook, it had not been asked by the government to coordinate a repatriation effort. “The Civil Aviation Authority believes very few Flybe passengers are Atol protected and those people should make arrangements through their travel agent, who are responsible for providing alternative arrangements,” said the CAA in a statement. “The government has not commissioned the CAA to organise any repatriation flights as there is capacity in the market for people to travel via alternative airlines, rail and coach operations.”

05 March 2020, source: TTG

### **Coronavirus: Norwegian cancels transatlantic flights**

Norwegian is to cancel 22 flights between Europe and the US due to “reduced demand” on some routes following the spread of the coronavirus. The low-cost carrier is cutting the long-haul flights from 28 March to May 5, with the Gatwick to New York route being cut from three to two daily departures on “some days” during this period. The cuts will mostly affect transatlantic routes from Rome to the US with reduced departures on flights to Los Angeles, Boston and New York over the five-week period. Customers affected by the cuts will be contacted by Norwegian and offered an alternative itinerary. “Norwegian has a limited number of flights to Northern Italy and other regions heavily affected by the virus,” added Norwegian in a statement. “In addition, the company has a higher share of leisure traffic, which seem less affected than business traffic. The company has also already reduced its capacity by up to 15% in 2020. Norwegian is monitoring the developments closely and is

continuously evaluating additional changes to its schedule. At this stage, it is too early to assess the full impact on our business.”

05 March 2020, source: TTG

### **Coronavirus: Saga forecasts hit for travel arm**

The over-50s specialist said its tour operator and cruise arms have experienced less demand and a rise in cancellations because of the infection, which has killed more than 3,000 people around the world. However, the group stressed forward cruise bookings remain strong after achieving 80% of its full-year revenue target by 29 February, with the remaining 20% weighted towards Q3 and Q4. Additionally, its two most recent departures were 80% full. Its tour operation, however, has seen a 20% fall in forward bookings for 2020/21 compared with last year, with the coming weeks most affected. “The evolution of Covid-19 and the impact this will have on full-year earnings for 2020/21 cannot be predicted with any certainty at the current time,” said Saga in a statement. “While our travel business will be impacted, the group expects the performance and cash generation of the insurance business to be largely unaffected.”

05 March 2020, source: TTG

### **Virtuoso postpones 2020 symposium due to Coronavirus**

The event, which had been due to take place in the Austrian capital, Vienna, from 17-21 March, will now be rescheduled for the same destination in March 2021. The group said the decision was taken following consultations with Virtuoso’s Global Member Advisory Board and the event’s hosts in Austria. Matthew Upchurch, Virtuoso’s chief executive, said in a video message to members that the postponement was a “very difficult” decision and was being made to allow members to support their clients who may be affected by the spread of the Covid-19 virus. “We feel this is the best decision for the entire network, allowing you to focus on being available to your clients and teams at this critical time,” he added. “This week has been so difficult for me as I thought long and hard about what’s best for us at this time.” Upchurch added the fear of being “stranded” due to sudden changes in travel restrictions was “as powerful, if not more so” than the fear of being infected by the virus. “We are not afraid to travel but the best decision is to postpone the symposium to 2021,” he told members. “It’s extremely important to be with your advisors and staff and focus on the clients.”

09 March 2020, source: Travel Daily Media

### **Brits still set on travelling despite the Coronavirus outbreak**

Research has revealed that 3 out of 4 UK travellers are still planning on taking their next holiday following the coronavirus outbreak. The study conducted by Holiday Extras found that most people who’ve cancelled their plans have been forced to do so and it’s, in fact, the older travellers who are most likely to be sticking to their plans. The travel company has been monitoring calls to its UK call centre for the last week to see what concerns customers had about travelling during the outbreak. These questions were then the basis of a survey to airport travellers to better understand how the virus was affecting travel plans for customers and the wider industry.

What was found:

- 75% of people who flew out of a UK airport in the last year are taking their next overseas trip as planned
- For respondents over 40, that rises to 83% still planning to travel; and over 60, to 91%
- Of those, 59% say they are travelling through choice. Due to the fact the virus is also present in the UK or because they do not think the virus is present at their destination or because they say they are simply not concerned
- 16% are travelling through necessity, either because they have to take a trip or can't get a trip refunded
- Only 10% of UK travellers say they have decided against all international travel during the outbreak
- 13% say they have cancelled a trip because they've been forced to – either because their carrier cancelled their booking, because a work trip was cancelled or on medical advice

Seamus McCauley, Editor in Chief at Holiday Extras, commented: “The coronavirus outbreak is an ongoing humanitarian issue affecting thousands of people all over the world and people, especially those in vulnerable categories, are right to be cautious about the risks of the virus and to heed the excellent advice of doctors and other experts. There’s an understandable concern in our industry about the impact of coronavirus on people’s travel plans, so we wanted to understand how concerned UK travellers were in light of the information they’re receiving and help them make informed travel decisions. The UK government is advising against all travel, or all but essential travel, to those destinations which have seen the most significant outbreaks of the virus – mainland China, parts of South Korea and parts of northern Italy. But with travel continuing unrestricted to the rest of the world it’s helpful to see how travel plans are being affected by news of the virus. Clearly the majority of UK travellers are sticking to their plans to head overseas, and the majority of those who have cancelled their plans have been forced to do so. We’ll be running our survey regularly over the next few weeks to see how attitudes to travelling change. For now, it looks like the British public is still travelling if they can.”

10 March 2020, source: TTG

### **Norwegian to cancel 3,000 flights and temporarily lay off staff**

The airline will make cuts to services, representing about 15% of its total capacity, across its entire network between mid-March and mid-June. Chief executive Jacob Schram said: “This is a critical time for the aviation industry, including us at Norwegian. “We encourage the authorities to immediately implement measures to imminently reduce the financial burden on the airlines in order to protect crucial infrastructure and jobs.” Norwegian said the cancellations would affect a “significant share” of the carrier’s staff including flight crew, ground employees and its office locations. “We have initiated formal consultations with our unions regarding temporary lay-offs for flying crew members as well as employees on the ground and in the offices,” added Schram. “We will continue to engage in constructive dialogue with unions and employees to work through this difficult situation together.” Norwegian has yet to announce details of its planned capacity cuts and added that “more details will be shared as soon as they are ready to be implemented”. Currently Norwegian carries just less than six million UK passengers per year from Gatwick, Edinburgh and Manchester. It is the third largest airline at Gatwick and employs more than 1,200 UK-based pilots and cabin crew.

11 March 2020, source: TTG

### **EU to suspend ‘use it or lose it’ airport slot rule**

Carriers risk losing slots if they do not operate 80% of scheduled flights under normal circumstances, and have in the past operated “ghost flights” to circumvent the issue. Several UK airlines, including Virgin Atlantic, have called on regulators to suspend the rules, which prompted a formal appeal by transport secretary Grant Shapps to UK’s independent slot coordinator Airport Coordination Limited. President of the EU Commission, Ursula von der Leyen, said on Tuesday (10 March) the commission would put forward “very rapidly” legislation on airline slots to make it easier for airlines to keep their slots “even if they do not operate flights because of declining traffic”. She said the commission acknowledged the coronavirus was having a “major impact” on European and international aviation, and that the situation was deteriorating on a daily basis with traffic expected to decline further. Her comments were reinforced by an EU Commission statement, which confirmed the commission would put forward “targeted legislation” to alleviate airlines from their airport slot usage obligations under EU law. “This measure will help both the European industry and the environment,” the statement read. “It releases pressure on the whole aviation industry and in particular on smaller airlines. It also decreases emissions by avoiding so-called ‘ghost flights’ where airlines fly almost empty aircraft to keep their slots.” Adina Valean, EU commissioner for transport, urged the European Parliament and Council to swiftly adopt the measures. The move has been backed by Virgin Atlantic chief executive Shai Weiss, who said it was now vital to ensure the measures – described by Von der Leyen as “temporary” – extend to all airlines around the world for the entire summer season. “The impact of Covid-19 on our bookings has been significant and requires a swift response, which the transport secretary has recognised,” said Weiss. “The European Commission today [Tuesday] indicated it is in favour of a temporary relaxation of the ‘use it or lose it’ rule for flight slots at regulated airports. “This is a positive step, but we urgently expect detail of these measures, and confirmation that alleviation will apply to all markets for the full summer season. “Prompt publication of the legislation will allow the UK slot co-ordinator to act, enabling Virgin Atlantic and other airlines to operate schedules more efficiently and avoid flying almost empty planes for the sake of retaining valuable slots, which in turn creates unnecessary carbon emissions.”

13 March 2020, source: TTG

### **Easyjet and BA relax rebooking policies**

EasyJet has waived flight change fees until further notice; allowing all new and existing bookings from 13 March to be amended without charge. The carrier said it would continue to operate a flight schedule “that ensures that those customers who still wish to travel can do so, where travel restrictions allow and in line with guidance from health authorities”. It added: “Where we’ve been required to cancel flights, customers will be able to transfer to an alternative flight free of charge or receive a refund. And where all flights have had to be cancelled due to local authority guidance – in Italy, for example – we are operating rescue flights to ensure passengers can return home.” EasyJet passengers who change their bookings will still pay any difference in fare, in line with other carriers’ policies. Changes can be made on the Manage Bookings section on the airline’s website. BA has removed change fees on all new bookings made from 3 March to 31 March. Changes can be made under Manage My

Booking for any new date up to 12 months from the original departure date. Any fare difference must still be paid. In addition, BA is allowing clients booked during the same period to change destination, date of travel or both for a voucher of the same value. The voucher can be redeemed for flights within 12 months of original departure date. BA said it has also “reviewed and made changes” to its aircraft cleaning programme and said all its aircraft have the same air filtration systems as hospital operating theatres.

14 March 2020, source: TTG

### **US travel ban to be extended to the UK and Ireland**

President Donald Trump confirmed the US’s current Schengen area travel ban would be extended to the UK and Ireland in a press conference on Saturday (14 March). Vice-president Mike Pence later confirmed the restrictions would come into force on Monday (16 March). On Friday (13 March), the US barred flights from most European countries from entering the US for 30 days in an attempt to limit the spread of coronavirus. The UK and Ireland, however, were initially excluded. There have now been more than 2,000 confirmed cases of Covid-19 in the US, and nearly 150,000 worldwide.

15 March 2020, source: TTG

### **Coronavirus: Virgin calls for ‘unwavering’ state aid for airlines**

Last night the US confirmed it was extending its travel ban to include flights from the UK and Ireland from Tuesday. Chief executive Shai Weiss told *The Sunday Times* the scale of the coronavirus outbreak was “unprecedented”, before calling on the government to give “decisive, clear and unwavering” support. “This is not [just] about Virgin Atlantic; it is about making it available for industry,” Weiss said. “This is a systemic problem which differentiates no one. You cannot imagine the UK without the thriving airline industry, which tourism and trade depend on. “We are talking about profitable, viable businesses, but they cannot be healthy, viable businesses if there’s zero traffic,” said Weiss. “I’m not asking for a handout — we will pay it back.” He also called for credit card companies to “maintain normal operations”, warning that if they withheld money it would create a cash squeeze. *The Sunday Times* reports that this week Virgin will cut routes. The US has pledged a \$50 billion relief fund, which its airlines are said to be utilising, while France and Germany are expected to prop up their carriers. *The Sunday Times*’ sources said Whitehall may demand security over airlines’ runway slots and aircraft in return for support, amid concern about state aid. Weiss said Virgin had assets it could post as collateral. The government last night said it was “engaging with the sector’s leadership to support workers, businesses and passengers”.

16 March 2020, source: TTG

### **Tui suspends ‘vast majority’ of global travel operations**

The move, said Tui, would extend to its package travel, cruise and hotel divisions “until further notice”. It comes after the group announced at the weekend sweeping changes, alterations and cancellations to its worldwide programmes. “In this rapidly changing environment, the safety and welfare of our guests and employees worldwide remains of paramount importance,” said the operator in a statement. “Thus Tui Group has decided, in

line with government guidelines, to suspend the vast majority of all travel operations until further notice. This temporary suspension is aimed at contributing to global governmental efforts to mitigate the effects of the spread of Covid-19.” Tui has withdrawn its financial guidance for its 2020 financial year and declined to issue new guidance owing to the ongoing crisis. It said its board was continuously evaluating the situation and considering a variety of actions to support customers, colleagues and stakeholders following the “unprecedented escalation” of the spread of Covid-19. The group says it has “cash and facilities” amounting to around €1.4 billion, and that year-to-date performance had been in line with expectations prior to the emergence and spread of the coronavirus. “We are taking substantial cost measures to mitigate the earnings effect,” said Tui, adding: “Moreover, we have decided to apply for state aid guarantees to support the business until normal operations are resumed.”

16 March 2020, source: TTG

### **Virgin Atlantic unveils ‘drastic’ measures to conserve cash**

The airline said last week’s developments had “accelerated the sharp and continual drop” in demand for flights across its network. “Today, Virgin Atlantic will put drastic measures in place to ensure cash is preserved, costs are controlled, and the future of the airline is safeguarded,” it said. “The situation is deteriorating at pace and the airline has seen several days of negative bookings, driven by a huge volume of cancellations as customers choose to stay at home. Significantly, the European Commission has announced a suspension of the ‘use it or lose it’ slot rules until 30 June 2020, enabling the airline to consolidate schedules and ground aircraft immediately.”

16 March 2020, source: TTG

### **Norwegian to cancel most flights; 90% of staff laid off temporarily**

Thousands of flights have already been cancelled and, as of 21 March, the company will primarily fly a reduced schedule domestically in Norway and between the Nordic capitals. Some European flights will be operated. All intercontinental routes are cancelled except flights between Scandinavia and Thailand (last flights will be at end of March). A limited schedule will remain in place until at least 17 April but will be reviewed on a regular basis in line with changes in travel restrictions and demand. As a result of most of the company’s aircraft being parked, Norwegian will temporarily lay off more than 7,300 staff in total which equates to approximately 90% of its workforce, which includes pilots, cabin crew, maintenance and administrative staff. The lay-off procedures vary from country to country, and Norwegian’s team is already in constructive dialogues with union and HSE representatives at all its locations across the network, it said. “It is indeed with a heavy heart we have to temporarily lay off more than 7,300 of our colleagues, but we unfortunately have no choice. However, I want to emphasise that this is temporary, because when the world returns to normalcy my goal is to keep as many of our dedicated colleagues as possible,” said Jacob Schram, chief executive of Norwegian. Norwegian said it would work closely with the authorities to arrange flights for the benefit of stranded passengers, if necessary. Customers who are directly affected by route changes and cancellations will be contacted by Norwegian via text message or email. Schram continued: “What our industry is now facing is unprecedented and critical, as we are approaching a scenario where most of our airplanes will be temporarily grounded. “Several governments in Europe have already said that they will do everything they can to ensure that their airlines can continue to fly when society returns to

normalcy. We appreciate that the authorities of Norway have communicated that they will implement all necessary measures to protect aviation in Norway, consequently securing crucial infrastructure and jobs.”

17 March 2020, source: TTG

### **FCO advises UK nationals against all non-essential travel worldwide**

The new measures, announced by foreign secretary Dominic Raab on Tuesday (17 March), mark a significant escalation of the government’s response to the Covid-19 pandemic. The FCO, which was already advising against all or all but essential travel to many destinations, said the pandemic had led to “unprecedented international border closures” and other restrictions. It further warned any countries not already restricting travel could do so “without notice”. Advice not relating to Covid-19 remains in place the FCO added in a statement issued at lunchtime on Tuesday (17 March).

18 March 2020, source: TTG

### **EU shuts borders to external arrivals**

The new measures to combat the spread of the coronavirus came into force on Wednesday (18 March). Non-EU citizens attempting to enter the bloc will be turned away upon arrival. All 26 member states in the EU Schengen area will enforce the measures. It is also expected to apply to Iceland, Liechtenstein, Norway and Switzerland owing to their association with the union, their proximity and location. The UK and Ireland have been invited to participate, the BBC reports. The new restrictions were signed off during a meeting of EU leaders over video conference on Tuesday. Ursula von der Leyen, president of the EU Commission, confirmed members had endorsed the commission’s proposals, adding there was yet more work ahead to fight the crisis. The EU has also pledged to bring home EU citizens stranded outside the union; support companies, and people at risk of losing their jobs; supporting efforts to develop a Covid-19 vaccine; and work with industry and government to produce more equipment to mitigate the crisis. It comes after several EU members states imposed their own stringent new travel restrictions on citizens. The Foreign Office, for example, is advising UK citizens against all non-essential travel worldwide for the next 30 days.

20 March 2020, source: TTG

### **Norwegian in line for £230m state bailout**

The Norwegian government late on Thursday (19 March) set out plans to back the nation’s airlines with credit guarantees worth up to NOK 6 billion (£462 million), half of which, Reuters reports, will be handed to Norwegian. The level of support, though, will be conditional on the extent to which Norwegian can boost its equity by working with commercial lenders. Chief executive Jacob Schram said the carrier would do everything in its power to meet the demands. Norwegian is Europe’s third-largest airline and has rapidly expanded across the continent in recent years, as well as into the transatlantic and Latin American markets. But its efforts to crack low-cost transatlantic operations have been hit by a series of crises, including troubles with the engines on its 787 Dreamliner and the grounding of Boeing’s 737 Max aircraft. Earlier this month, it announced plans to cancel thousands of flights, ground the majority of its fleet and temporarily lay off more than 7,000 employees.

SAS Scandinavian Airlines, meanwhile, also looks set to benefit from the Norwegian government's pledge, with its slice potentially running to NOK 1.5 billion (£120 million). It has also made temporary lay-offs amounting to about 90% of its staff. SAS, though, has been able to secure funding guarantees from the Swedish and Danish governments worth about £250 million. Norway's industry minister Iselin Nyboe also warned the facilities would not come without efforts by Norwegian and other carriers to source additional funding off their own back. "Norwegian had financial challenges also before the coronavirus crisis," said Nyboe. "With this plan, we make it clear both owners and lenders must contribute to improving the company's financial situation if the state is to provide guarantees."

23 March 2020, source: TTG

### **Richard Branson pledges \$250m to help Virgin companies**

He said the funds would be injected "over the next weeks and months" to protect the range of companies and save jobs, adding: "That is likely just the start." Branson wrote in a blog post on Sunday (22 March) the chances of securing a widespread economic recovery following the coronavirus pandemic would "depend critically upon governments around the world" implementing support programmes. "This is the most significant crisis the world has experienced in my lifetime," he said. More than 70,000 people across 35 countries work in Virgin companies, all of which "have been deeply affected by the pandemic in different ways", Branson described – especially its travel and leisure businesses. "Because many of our businesses are in industries like travel, leisure and wellness, they are in a massive battle to survive and save jobs. "Our airlines have had to ground almost all their planes; our cruise line has had to postpone its launch; our health clubs and hotels have had to close their doors and all bookings to our holiday company have stopped. "We are supporting our people and our businesses in their fight for survival in numerous ways. We are providing a quarter of billion dollars over the next weeks and months to protect them and save jobs – that is likely just the start. The chances of securing widespread economic recovery will depend critically upon governments around the world successfully mobilising various newly announced support programmes, which in these unique circumstances will be essential to protect people's livelihoods. We are also listening to our team members around the world to see what other things we can do to support them, their families and communities, and will be rolling out a series of programmes over the coming months." Branson recalled the period following 9/11, "when all airlines and travel companies took extremely painful decisions to make redundancies in order to keep businesses afloat and the dramatic impact it had on people then. We are doing all we can to stop that happening now," Branson said, describing Virgin Atlantic's "incredible employees" who "virtually unanimously" took voluntary unpaid leave for eight weeks out of the next six-and-a-half months. "Our employees are united as one behind this plan, and our shareholders and partners have respected their vision, so we can hopefully emerge and thrive with as many jobs as possible intact once the situation stabilises." Branson said the people within Virgin "will always be my number one priority. "It is their future job security and their wellbeing that I am 100% focusing on in these frightening and unprecedented times. We've prided ourselves on looking after those working for Virgin for the past 50 years; we've always put our employees first and always will. "I am an optimist. I believe in the power of dedicated people working together to overcome challenges. And I believe that the Virgin family, working with communities around the world, will get through this toughest of times."

24 March 2020, source: TTG

### **Kuoni to bring back staff made redundant**

Kuoni confirmed 70 head office and retail staff redundancies on Friday (20 March) before the government's announcement of its Coronavirus Job Retention Scheme, whereby it will pay 80% of the salaries of those not working but kept on the payroll. After temporarily closing its Dorking head office and retail stores last night (24 March) the operator has created a virtual call centre to support customers, which will be operated by a core group of Kuoni's retail staff, working from home. A "core operational and support team" made up of only those staff needed to maintain the smooth operational running of the business over the coming weeks and months has also been established. All other staff will be furloughed from 1 April. Der Touristik UK chief executive Derek Jones described the process as being "a bit like hibernation". Those staff will not be required to work and will be paid 80% of their salary with all other contractual terms intact. Jones confirmed that all staff who left the business last week would immediately be brought back into the business and then furloughed. Jones added: "Today we've set out a number of initiatives which we believe present the best course of action for the coming weeks and months. These measures are designed to retain the integrity of our team whilst running the business in a streamlined way. By taking these actions we can see ourselves through this crisis whilst maintaining the opportunity to rebound strongly when the Covid19 crisis is behind us. The decision to let valued members of staff go last week was a very difficult one but at the time I believed we were left with little option. We immediately took the opportunity alongside Abta and a number of other businesses to lobby the government for additional support to avoid the need for job losses. The Chancellor's lifeline on Friday has meant we can now protect as many of our team as possible. There has not been much to cheer about recently, but we can at least be happy that these staff have a little less to worry about for the next few months." The company continues to keep its voluntary redundancy offer on the table. Kuoni leadership team remain in place having volunteered to take pay cuts to steer the business through the crisis and plan ahead to strengthen the brand for the future.

25 March 2020, source: TTG

### **'Three quarters of Brits expect to take a holiday in 2020'**

Analysis by Holiday Extras has found 25% of people have already booked a flight, 75% believe they will go on holiday this year and 23% of those who have travelled in the last three months would board the first plane the government deems safe. The figures were taken from a poll of 1,000 people this month. "What people get from booking a holiday isn't just the holiday itself – it's planning it and looking forward to it – and now more than ever people have time to make plans and need something to look forward to as soon as this is all over," said Seamus McCauley, head of communications at Holiday Extras. "Airlines bringing their winter schedules forward so that people can book now is sensible for those looking ahead to the end of the current crisis. It also gives everyone something to look forward to. I expect the first thing people will want to do when all of this is over is hop on a plane and get right back to seeing the world."

29 March 2020, source: TTG

### **Insolvency rules change 'to help firms weather the storm'**

Business secretary Alok Sharma will suspend wrongful trading laws to safeguard directors during the pandemic and allow firms to “emerge intact on the other side of the Covid-19 pandemic”. He revealed the plans during the government’s daily coronavirus briefing on Saturday (28 March). The move will allow directors of companies to pay staff and suppliers even if there are fears the company could become insolvent and give businesses more time to pay off debts while continuing to trade. Wrongful trading was introduced in 1986 and makes it an offence for a director to continue to trade if they know their business is unable to avoid going into liquidation. Introduced retrospectively from 1 March for three months, company directors will now be able to keep their businesses going without the threat of personal liability. Sharma said, “all of the other checks and balances that help to ensure directors fulfil their duties properly will remain in force. Our overriding objective is to help UK companies that need to undergo a financial rescue or restructuring process to keep trading,” he said. “These measures will give those firms extra time and space to weather the storm and be ready when the crisis ends, whilst ensuring creditors get the best return possible in the circumstances. Sharma added: “The government is doing everything in its power to save lives and protect livelihoods during these unprecedented times. Applying a common-sense approach to regulation will ensure products are safe and reach the market without any unnecessary delay, getting vital protective equipment such as face masks to frontline staff as quickly as possible. Today’s measures will also reduce the burden on business, giving bosses much-needed breathing space to keep their workers employed and their companies going.”

30 March 2020, source: TTG

### **Virgin Atlantic set to seek millions in government bailout**

The carrier will be one of the first in the UK to ask for government help after ministers said this week it would only help the struggling industry as a “last resort”. Reports suggest other airlines including easyJet and regional carriers such as Loganair and Eastern Airways are also considering following Virgin Atlantic’s lead. Almost all staff at Virgin Atlantic have accepted unpaid leave and Richard Branson has said he will inject \$250m into companies across his group, including Virgin Voyages and Virgin Holidays. Virgin Atlantic is understood to have approached the government and bankers Rothschild for a package worth hundreds of millions of pounds in commercial loans and guarantees, reports *The Guardian*.

30 March 2020, source: TTG

### **Industry veterans advise trade to brace for ‘brutal booking rebound’**

Steve Endacott, Seamus Conlon and Will Waggott have joined forces to create an online web resource to host information and advice on how to “survive today... to rebound later”. The site will feature blogs and advice from the three, as well as other professional advisors, and will encourage companies to make contact if they need further assistance.

31 March 2020, source: TTG

### **British Airways increases borrowing potential by \$1.38 billion**

The airline’s owner, International Airlines Group (IAG), has announced that BA’s Revolving Credit Facility has been extended for a year from 23 June 2020 to 23 June 2021. This means it can borrow an extra \$1.38 billion if needed during that time frame. IAG has cash, cash

equivalents and interest-bearing deposits of €7.2 billion on 27 March, it said, and total liquidity reaching €9.3 billion. This comes as airlines across the world struggle to manage depressed passenger numbers amid the Covid-19 pandemic, which has seen numerous countries go into lockdown.

31 March 2020, source: Travelmole

### **BA grounds all Gatwick flights**

British Airways has axed all flights to and from Gatwick Airport, because of coronavirus. BA said it will contact affected customers. It is still operating out of Heathrow, but with a reduced schedule. The airline said: "Due to the considerable restrictions and challenging market environment, like many other airlines, we will temporarily suspend our flying schedule at Gatwick." Owner IAG recently announced three-quarters of flights will be cut over the next two months also said it was 'taking actions to reduce operating expenses and improve cash flow'. IAG has extended BA's Revolving Credit Facility for a year from June 23 2020 to June 23 2021, allowing it to borrow an extra \$1.38 billion if needed during that time frame.

31 March 2020, source: TTG

### **Virgin Atlantic staff shift focus to national Coronavirus effort**

Airline employees are being redeployed to various roles, paid and voluntary, across the healthcare, grocery, retail and customer services sectors, with Virgin working with a number of organisations to provide roles for its staff. Virgin has partnered with London Ambulance Service and Epsom Hospital Carshalton, while some staff have signed up for the new NHS Volunteer Responder scheme. Elsewhere, it was revealed on Monday (30 March) cabin crew are being asked to consider roles at the new NHS Nightingale hospital at London's ExCeL Centre. The airline has also partnered with several major grocery retailers – including Tesco, Morrisons, Iceland, Lidl, Aldi, Asda, Waitrose, Co-op and Ocado – to assist their operations "with pressure on retail at an all-time high. Retail giants are offering paid opportunities for people to help in-store replenishing stock and in service, as well as well as drivers," said Virgin. Corneel Koster, Virgin Atlantic's chief customer officer, said: "We are very grateful to the NHS for everything they are doing in extremely challenging circumstances and we're committed to doing all we can to support the national effort against the rapid acceleration of Covid-19. We are very proud of our highly skilled people at Virgin Atlantic, and since the government's Coronavirus Job Retention Scheme was announced, we have been inundated with our people looking to help other organisations at this time of crisis. Many organisations have approached us with opportunities, both paid and voluntary, as they recognise the value and experience our people can bring." NHS tasks will include ambulance call handler and non-emergency ambulance assistance roles; building essential equipment to prepare for an influx of new Covid-19 cases; carrying out simple, non-medical tasks in the community such as supporting those self-isolating through delivering food and medication and offering phone support; and staffing the new Nightingale hospital. "Virgin Atlantic is working with organisations in healthcare, grocery, retail and customer service to secure temporary and voluntary employment opportunities for its people," said the airline. "With the UK advising against all but essential travel and many countries shutting borders, customer demand for air travel is at an all-time low, and many Virgin Atlantic employees have been furloughed for the months of April and May in accordance with the government's Coronavirus Job Retention

Scheme. However, other sectors continue to operate with unprecedented demand.” Virgin added cabin crew’s medical and fire safety training stood them in good stead to assist the emergency services, while ground teams could transfer their skills to retail, charity and customer service roles.

31 March 2020, source: Travel Weekly

### **Tui to furlough 11,000 UK staff**

Tui UK is to furlough 11,000 staff in the UK, including almost 4,500 retail agents. The company said 4,455 travel agency staff, which represents 99% of its shop staff, will be furloughed from Wednesday following the closure of its high-street network due to the government’s lockdown in response to the coronavirus crisis. The remaining 6,545 staff are from cabin crew, pilots, and staff in retail and head office functions. The UK’s biggest travel firm confirmed that a “small number of team members” will work as part of a virtual call centre. A spokeswoman said: “We will have a small number of team members working as a virtual call centre to support our other contact centres – and we will still have team members who support third party suppliers and agents working.” The company said it had working through all available options, particularly since the government announced its job retention scheme. Tui employs a total of 13,200 employees in the UK. Contact Centre staff who have been kept on will work remotely. Managing director Tui UK and Ireland Andrew Flintham said: “The travel industry is facing unprecedented pressure. We will continue to put the customer at the heart of what we do, and when they can holiday with us again we want to be in the best position to deliver the wide range of destinations and experiences we do today. “It is therefore imperative that we make these difficult cost decisions and also look after our colleagues during such unprecedented uncertainty. We are a fantastic business and we look forward to taking people on holiday again soon.”