Travel Industry Update

May 13, 2020

**Three airlines tell employees not to force passengers to wear face masks**

- United, Delta and American airlines have told their flight attendants not to force passengers to comply with their new policy requiring face coverings, just encourage them to do so.
- The three airlines have told employees that they may deny boarding at the gate to anyone not wearing a face covering, and are providing masks to passengers who do not have them.
- However, inside the plane, enforcement becomes more difficult.
- "If for some reason this policy causes a disturbance onboard, we’ve counseled our flight attendants to use their de-escalation skills, and they do have the flexibility to re-seat customers on the aircraft as needed," United said in a statement.

**Korean Air to sell about $817 million in new shares to raise money**

- The new shares will be the largest issue by the company in 20 years
- The company also plans to receive 1.2 trillion won (US$980,400,840) in support from South Korean state-owned banks.
- About 79 million newly issued shares, to be listed on July 29, will be first bought by the carrier’s shareholders, including holding company Hanjin Kal (180640.KS) which has a 30% stake in the carrier, followed by general public, the company said in a statement.

**Emirates will add flights beginning May 21**

- Emirates will resume regularly scheduled flights to nine destinations on three continents as of May 21, 2020.
- These destinations include: Chicago, Frankfurt, London Heathrow, Madrid, Melbourne, Milan, Paris, Sydney and Toronto
- Travelers will only be accepted if they comply with eligibility and entry requirements for their destination countries.
- As of now, Emirates schedule shows other flights resuming July 1. Time will tell if that schedule plays out.

**Caribbean**

- [Anguilla, Antigua and Barbuda, Barbados, Belize and the U.S. Virgin Islands](https://www.centerforhealthsecurity.org) have begun a phased reopening of some businesses with social distancing and hygiene restrictions in place.
- In Anguilla, churches, retail stores, salons, gyms and spas, restaurants and bars have reopened.
• In Antigua, the Heritage Quay duty-free shopping center has reopened select stores, including retail and food and beverage outlets. Face masks are provided for customers who do not bring them. Retail businesses are open between 6 a.m. and 6 p.m., but spas and salons remain closed. Beaches are open on weekdays but closed on weekends. Public gatherings are still prohibited, and the 12-hour overnight curfew remains in effect.
• In Barbados, beaches are open from 6 a.m. to 9 a.m. daily, buses are limited to 60% capacity, work hours are staggered at government offices and the sale of alcohol is permitted.
• Gyms, tennis courts, golf courses, bowling alleys and movie theaters have reopened in the U.S. Virgin Islands, but social distancing must be maintained. Personal services, such as hair salons and massage therapists, must operate by appointment only.
• Also in the USVI, no more than 10 people are allowed in retail stores at one time; restaurants continue to be take-out and bars remain closed. Everyone is required to wear face mask when entering a business.
• Aruba has a tentative timeframe to re-open its borders for inbound travel, some time between June 15 and July 1. The country’s tourism authority says this is “subject to change.”

Cruise lines: repatriating workers is turning into a nightmare

• There are more than 90,000 cruise workers in U.S. waters stranded on ships two months after the pandemic began.
• While companies work through shifting rules on returning workers to their home countries, recent deaths of crew have shook the industry and underscored concern about mental health.
• “It’s a very stressful situation,” said Fabrizio Barcellona, assistant secretary for seafarers at the International Transport Workers’ Federation, which represents local unions. “The prolonged periods they have to stay on board can create a situation of unrest. People can become distressed and that can create flash points.”
• The cruise-line operators say government policy changes and travel restrictions have complicated efforts to get crew home.
• “That one simple question -- how do we get you home? -- turns out to be incredibly complex to answer,” Michael Bayley, chief executive officer of Royal Caribbean International, wrote in a letter to crew members this month. “Each country has rules and regulations for who can travel home, and how, and when. But in the wake of the coronavirus pandemic, those rules have gone in all different directions -- and they frequently change without notice.”
• According to Bayley, 15 countries won’t allow workers to repatriate.
• Carnival sees a 600% increase in cruise bookings; the cruise line had previously announced it would begin sailing Aug 1 but CDC has not said when it will be safe to cruise again.

Universal CityWalk re-opening

• Universal Orlando will reopen its CityWalk shopping, dining and entertainment complex on May 14 with limited operations. CityWalk will be open 4-10 p.m. daily during the phased reopening.
• Universal’s theme parks, nightclubs, the Cinemark movie theater and the Blue Man Group venue remain closed.
• Universal Orlando also says guests should follow CDC guidelines regarding health and safety during the coronavirus pandemic. All guests and team members must wear face masks.

**Marriott CFO: regional destinations will be the first to rebound**

• “We expect demand to return first in drive-to and leisure destinations,” Marriott CFO Leeny Oberg said.
• Marriott said the Ritz-Carlton Bacara in Santa Barbara, California, and hotels in Hilton Head, South Carolina, popular seaside destinations, were expected to reach approximately 50% occupancy based on reservations on the books.
• Marriott, the world’s largest hotel operator, has seen occupancy across mainland China climb from below 10% in mid-February to above 30% as of Monday. The increase is from domestic travel.
• Europe, which is dependent on foreign travel, occupancy is much lower. In fact, Marriott said Europe will be the last geographic region to recover, with roughly 75% of hotels currently closed.