Travel Industry Update
June 1, 2020

**Delta and pilots union working to avoid furlough of 2,300+ pilots**

- Delta Air Lines Inc and its pilots union said on Sunday they are working to avoid furloughs of roughly 2,300 pilots following a reshuffling process meant to match staffing to summer 2021 flying.
- Following the results on Sunday of a so-called “surplus” bid in which employees were asked to petition available positions at one of Delta’s seven U.S. pilot bases, the airline will be shifting around 7,000 pilots to different locations or aircraft types, while 2,327 have not been assigned to any category, Delta’s Master Executive Council (MEC) of the Air Line Pilots Association (ALPA) said in a statement.
- Delta confirmed the release of the results of the bid “to better align our staffing with our future flying demand” and said it is “looking at all options to mitigate or minimize furloughs and will continue working with ALPA in the coming weeks to explore those options.”
- ALPA said it was continuing to meet with Delta on potential early-out or voluntary leave programs, saying it is “optimistic that management will continue to engage with ALPA to protect pilot jobs.”

**JetBlue CEO discusses “critically grave situation”**

- JetBlue Airways CEO Robin Hayes recently talked with the Associated Press. Describes current situation as “critically grave.”
- Currently bookings are 9-10% of what is normal at this time of year. Up from bookings of 2-4% of normal in April.
- In June, the airline is going to be flying about 25% to 30% of its normal schedule.
- On the blocking of seats, Hayes says, “It’s not sustainable for an extended period of time, but it’s important for people right now.”
- According to Hayes, JetBlue burning through cash at a rate of “…about $10 million a day. That assumes zero revenue. Our plan is to reduce that down to between $7 million and $9 million a day in the third quarter because we do expect to see some improvement — small improvement — on the revenue front.”

**Lufthansa agrees to give up airport slots for bailout money**

- The German airline said in a statement on Saturday its supervisory board had decided to accept the deal worked out between negotiators for Berlin and the EU Commission which involves the giving up several slots at Frankfurt and Munich airports.
- The company must remove up to four of its aircraft from Frankfurt and Munich airports to allow competitors to take those slots, which means giving up three takeoff and three landing rights per aircraft a day, according to Lufthansa.
• The vacated slots are reportedly only available to new competitors at Frankfurt and Munich airports for at least 18 months.
• If no new competitor makes use of the opportunity, it will also be extended to existing competitors at the respective airports.
• The slots are to be allocated as part of a bidding process - and only to be taken over by a European competitor who has not received any significant state recapitalisation due to the coronavirus pandemic.
• The EU said the compromise reflects commitments from Germany and Lufthansa "to preserve effective competition".
• The airline will receive 9 billion euros ($9.7 billion) in the bailout deal

**Emirates: it could take 4 years to resume normal flight schedule**

• Emirates’ outgoing President Tim Clark on Monday said it could take the state carrier up to four years to resume flying to its entire network that has been decimated by the coronavirus pandemic.
• “I think probably by the year 2022/23, 2023/24 we will see things coming back to some degree of normality and Emirates will be operating its network as it was and hopefully as successfully as it was,” Clark said in a webcast interview with aviation consultant John Strickland.
• Clark, who is to become an adviser to the airline this month when he steps down as president, said the industry could start to recover by the summer next year if a widely available vaccine was successfully developed by early 2021.
• Clark said, adding that Emirates would be able to get its fleet ready within 48 hours if it had to.

**Hartsfield-Jackson Atlanta International Airport (ATL) adopts new technology to improve sanitization**

• ATL will become the first to deploy a new, cutting-edge, hygiene-tracking technology from GP PRO, a division of Georgia-Pacific and a leading provider of advanced dispensing solutions for commercial facilities. Its soon-to-be-released KOLO Hygiene product is an innovative new feature of the existing KOLO Smart Monitoring System, a wirelessly connected facilities management system designed to help monitor, measure and manage day-to-day performance of the airport’s heightened cleaning, sanitizing and disinfecting practices.
• The KOLO system is a wireless Internet of Things (IoT), cloud-based platform that utilizes advanced sensor technology within bathroom fixtures to create real-time alerts, which are then communicated to custodians on their mobile devices. It helps ensure that restrooms remain constantly in clean, working order, and fully-stocked with soap, hand sanitizer, toilet paper and paper towels, so that customers are never met with an empty station.
• The KOLO Hygiene feature, which will be released in July, builds upon this promise to level-up airport sanitization practices by enabling facility managers to create customized lists of cleaning, stocking and disinfection tasks to meet guidelines set by CDC and Occupational Safety and Health Administration (OSHA).
TSA screens over 350,000 passengers for the first time since March 22

- The last time TSA screened over 350,000 passengers was on March 22, when it screened 454,516 passengers. On March 23, the number of screenings had dropped to 331,431.
- One year ago yesterday, TSA screened 2,555,578 passengers.

Amtrak considering assigned seating

- To help with social distancing and contact tracing, Amtrak is considering using assigned seating on its trains.
- Currently the company is limiting bookings to allow for social distancing on trains.

Disney cancels all dining reservations, stops taking new hotel reservations and cancels FastPass+ reservations

- Disney announced more changes to its theme-park operations as it works to revamp the parks to adhere to social-distancing protocols in light of the coronavirus pandemic.
- The company said that it will temporarily be pausing any new theme park ticket sales or hotel reservations in order to “focus on guests with existing tickets and reservations.”
- Disney has canceled all existing reservations at restaurants. Typically, visitors can book meals at hotel and theme park restaurants up to 180 days in advance. Disney made the choice to cancel existing reservations since the capacity inside restaurants will be reduced to prevent spread of the coronavirus.
- The company said it will eventually reopen reservations, but will only allow them to be made within a 60-day booking window. Guests who had reservations will be given priority.
- Because of the capacity constraints at its restaurants, Walt Disney World cancelled all dining plans for the foreseeable future, the company added. With the dining plan, guests can pre-pay to lock in a certain allotment of credits they can use to pay for meals during their stay.
- Other perks Disney said will be paused temporarily include reservations for behind the scene tours. Additionally, Disney has cancelled FastPass+ reservations, which allow visitors to schedule a time to ride popular attractions without waiting in line.

Las Vegas strip begins to re-open this week

- Nevada Governor Steve Sisolak announced the state will reopen its casino hotels on June 4, as part of phase two of his reopening roadmap. Major brands, including Caesars Entertainment, MGM Resorts and Wynn Resorts, have released their plans for reopening their Las Vegas properties.
- Caesars has confirmed that gaming and hospitality operations will resume at Caesars Palace and Flamingo Las Vegas on June 4, with several retail and dining outlets along The Linq Promenade and the High Roller Observation Wheel also opening on that date.
- Harrah’s Las Vegas and the gaming floor at The Linq Hotel & Casino are expected to be the next properties to open, with timing based on customer demand.
- MGM Resorts confirmed that Bellagio, New York-New York, MGM Grand Las Vegas and The Signature will reopen June 4, all with limited amenities. As demand grows, MGM
will reopen more venues within those resorts, as well as its other properties on the Las Vegas Strip.

- Wynn Resorts intends to open both the Wynn and Encore Las Vegas hotel towers on June 4, in addition to every amenity and outlet on the premises. "We are ready to provide our guests with a full Las Vegas experience with a collection of luxury amenities and unmatched service," said Wynn Resorts CEO Matt Maddox.