



Travel Industry Update

June 19, 2020

500 Delta employees have tested positive for COVID-19; 10 have died

- In a shareholders meeting this week, CEO Ed Bastian announced the statistics on COVID-19 among the airline's employees.
- Delta plans to test all of its employees for the virus starting this week in Minneapolis, expanding to Atlanta, Detroit and New York.
- Bastian said that, while nearly 10,000 administrative staff work from home, most employees need to be on site.

Spirit Airlines CEO sees recovery taking a 'big move in the right direction' in July

- Leisure travelers, the South Florida-based budget carrier's bread-and-butter market, are coming back in a big enough way to allow for a significant return of flying in July. Spirit plans to operate around 550 flights a day next month, or 70% of what it planned before the coronavirus pandemic, CEO Ted Christie said.
- Spirit will operate one of the most robust domestic schedules among U.S. carriers in July. Compared to 2019, the airline will fly about 86% of what it flew last year.
- Spirit's relatively rapid return to the skies is not a surprise. Wall Street analysts have repeatedly forecast that leisure travelers will begin flying first as fears of COVID-19 ease, leading to a more rapid recovery for the airlines that primarily cater to this market.

7 passengers from same Korean Air flight test positive for COVID-19

- Six Bangladeshi nationals and one South Korean have tested positive for the coronavirus after entering South Korea on the same flight.
- All of the seven patients, including three Bangladeshi students enrolled in a Jeju university, used Korean Air flight KE9656, which landed at Incheon International Airport, west of Seoul, at 5:32 a.m. Thursday after departing from Dhaka, the capital of Bangladesh.
- They then traveled to their homes or other residences around the country before taking COVID-19 tests at testing centers in Jeju, Incheon, Paju, Namyangju and North Jeolla Province, authorities said, noting epidemic research has been launched for the airplane and all of its passengers.

Emirates adding 10 destinations to its flight schedule

- Emirates will resume flights to 10 more cities across June and July, increasing to 40 the number of destinations served.
- The Dubai-based carrier says new government protocols to ease travel restrictions have enabled it to further restore its network.

- On 20 June, it will begin flights to Sri Lankan capital Colombo. The resumption of services to Sialkot in Pakistan will follow on 24 June. In both cases, only outbound passengers will be carried. The same applies to flights serving Hanoi and Ho Chi Minh City in Vietnam. Those services will restart on 1 July.
- Emirates plans to restore flights to Istanbul on 25 June, and to Auckland, Beirut and Brussels on 1 July. Barcelona and Washington DC will rejoin the Middle Eastern carrier's network from 15 July.
- The airline says it will also increase frequencies from July to destinations including Frankfurt, London Heathrow, New York JFK and Singapore.

Whistleblower: TSA Failed To Protect Staff, Endangered Passengers During Pandemic

- The Transportation Security Administration withheld N-95 masks from staff and exhibited "gross mismanagement" in its response to the Coronavirus crisis – leaving employees and travelers vulnerable during the most urgent days of the pandemic, a senior TSA official alleges in a new whistleblower complaint.
- On Thursday evening the Office of Special Counsel, an independent federal agency that handles whistleblower complaints, said they had found "substantial likelihood of wrongdoing" in the complaint and ordered the Department of Homeland Security to open an investigation.
- TSA Federal Security Director Jay Brainard is an official in charge of transportation security in the state of Kansas, and has been with the TSA since the agency's inception in 2003.
- Brainard says the leadership of his agency failed to protect its staff from the pandemic, and as a result, allowed TSA employees to be "a significant carrier" for the spread of the Coronavirus to airport travelers.
- "We did not take adequate steps to make sure that we were not becoming carriers and spreaders of the virus ourselves," Brainard says. "I believe absolutely that that contributed to the spread of the coronavirus."
- His allegations include that PPE was withheld from TSA employees, that local supervisors were not permitted to mandate masks; that the TSA failed to adequately execute contact tracing, and the TSA declined to require that employees change or sanitize gloves between passengers.
- To date, TSA says 695 agency employees have tested positive for the coronavirus, and five employees have died as a result. In addition, one screening contractor has died because of COVID-19.

Dormant U.S. Hotels Will Cost Cities and States Nearly \$17 Billion in Tax Revenue in 2020

- State and local tax revenue from U.S. hotel operations will drop by \$16.8 billion in 2020, according to a report from Oxford Economics, released by the American Hotel and Lodging Association (AHLA) on Thursday.
- Larger states were among the hardest hit in the report, with California, New York, and Florida all losing above a billion dollars in state and local tax revenue. The other state crossing the billion threshold was Nevada, likely due to the state's reliance on hotels for tourism and leisure activities.

- According to the AHLA, hotels supported one in 25 jobs in the United States prior to the pandemic, a total of 8.3 million. It says that over 70 percent of the industry has been laid off or furloughed due to the pandemic.

The extreme hotel hygiene awaiting tourists in Spain

- At the Riu Concordia, part of a hotel chain headquartered in the Spanish holiday island of Mallorca, a pilot program is being tested.
- It's been chosen to greet some of the nearly 11,000 German visitors heading here as part of a pilot program to test coronavirus precautions and reopen Spain's tourism economy.
- Thermal scanners are in the lobby to check temperatures of guests.
- Before being allowed into the dining area, guests must get their temperature checked, put on a face mask, use hand sanitizer, and wear a pair of plastic gloves.
- Cutlery is safety sealed and there are social distancing signs reminding guests to stay 6 feet apart, markers on the floors keep traffic flowing one way and the hotel is full of hand sanitizer stations.

Hong Kong Disney re-opened on June 18

- “Creating magic today means even more to us than ever before,” Stephanie Young, Managing Director, Hong Kong Disneyland Resort said. “This was especially apparent as thousands of talented and dedicated Hong Kong cast members came together to take great care in preparing the park for the return of our guests.”
- Temperature checks and masks are required. Social distancing markers and signage is in place.

Carnival Cruise Lines loses \$4.4 billion

- Carnival Corp. lost \$4.4 billion in the quarter ended May 31, including a \$2 billion loss from selling off some of its cruise ships, the Panama-based company said Thursday.
- With almost all of its operations on hold since March, the company eked out \$700 million in revenue—an 85% plummet from \$4.8 billion a year earlier.
- The company has already sold 6 ships and has plans to sell more in the near future.

Florida Keys requiring face masks until June 2021

- People in the Florida Keys are now required to wear a mask through June 2021.
- Monroe County Commission voted to require everyone -- including employees and customers -- to wear face coverings in any establishment.
- The penalty is a fine of up to \$500 with no jail time.
- The ordinance is in place through June 2021, but is subject to "quarterly review."