



## Travel Industry Update

August 31, 2020

### American Airlines slashing flying capacity by 55 percent in October

- American Airlines will slash its flying capacity by 55 percent in October in the wake of the coronavirus pandemic's disruptions on the travel industry.
- The airline plans to operate at 45 percent of its October schedule, compared to last year.

### United Airlines scraps ticket-change fees for domestic flights in bid to win over customers

- It's time to say goodbye to the \$200 ticket-change fee.
- United Airlines on Sunday said that it will permanently scrap fees to change domestic flights, a big bet that more flexible policies will win over much-needed customers as the pain from the coronavirus pandemic's impact on air travel continue to mount.
- It's a page from the playbook of rival Southwest Airlines, which doesn't charge customers fees to change their flights.
- "Following previous tough times, airlines made difficult decisions to survive, sometimes at the expense of customer service," said United CEO Scott Kirby in a news release. "United Airlines won't be following that same playbook as we come out of this crisis. Instead, we're taking a completely different approach – and looking at new ways to serve our customers better."
- Customers with standard economy tickets and premium-class tickets will be able to change their flights without paying the fee but they will be responsible for a difference in fare. The new policy does not apply to basic economy tickets, which do not permit changes, but United has extended its change-fee waiver on all tickets through the end of the year.
- The Chicago-based airline in January will also allow customers who want to depart earlier or later the same day to fly standby without paying a \$75 same-day change fee.
- The measures could ramp up pressure on rivals to make similar policy changes.

### Emirates airline got \$2 billion injection from Dubai government

- Emirates airline has received 7.3 billion dirhams (\$2 billion) from the government of Dubai as it faces a cash crunch caused by the COVID-19 pandemic.
- The government provided 7.3 billion dirhams to the airline it owns after Dubai's crown prince in March promised equity to Emirates to see it through the crisis.

### **Marriott lays off Ambassadors; top tier status may now be without dedicated agents**

- Marriott has laid off a number of its dedicated Ambassador agents, charged with taking care of Marriott's most valuable customers, after temporarily suspending assigned Ambassador agents back in March.
- No numbers are available yet as to how many Ambassador agents have been let go.
- Marriott had previously said elite members who stayed 100 nights in a year in addition to spending \$20,000 would have the Ambassador team as a whole to help them. It seems that with the Ambassador team getting smaller, elites having a dedicated agent may not be a perk of the status moving forward.

### **TSA installing 1,200 COVID-19 barriers at airports to protect screeners, passengers**

- The Transportation Security Administration is installing full-height plastic barriers at 37 airports nationwide to protect security screeners and passengers from the spread of coronavirus.
- The agency completed installing them at San Diego International Airport on Thursday, and will install more than 1,200 by the time the project will be completed in early fall.
- "As long as this virus remains a threat, TSA will continue to implement the measures necessary for containment, including acrylic barriers as well as technologies that reduce or eliminate physical contact," said TSA Administrator David Pekoske in a statement earlier this month.
- The barriers are more substantial than the countertop shields that have been put in place at security checkpoints the past several months. They also supplement the use of gloves, face masks and disinfecting solutions.
- Major airports in New York, Chicago, California, Texas, Florida, North Carolina, Phoenix, Las Vegas, Seattle, Atlanta, Philadelphia and Boston are among those that will receive the barriers.



## **Milken partners with Amtrak to advise agency on COVID-19 response**

- Amtrak is enlisting the assistance of the George Washington University Milken Institute School of Public Health's department of environmental and occupational health to advise the agency on how to best handle workplace and operational safety during the ongoing pandemic.
- The rail service partnered with the public health school earlier this month to determine the best sanitization practices for its trains and monitor regional and national COVID-19 data, Amtrak spokesman Jason Abrams said. He said Amtrak's internal health and safety team will collaborate with Milken faculty to enhance its coronavirus response and delivery of a new standard of travel, which includes some "contact-free" services and cleaning protocols.
- Abrams said Milken's team will advise Amtrak on reviewing safe work practices, implementing workplace practices that go beyond the latest public health guidelines and adding measures to enhance Amtrak's coronavirus response.