



Travel Industry Update

September 3, 2020

United Airlines plans to cut more than 16,000 jobs as coronavirus continues to hammer demand

- United Airlines on Wednesday said it is planning to cut more than 16,000 jobs as early as next month, after federal coronavirus aid that protects aviation jobs runs out.
- Those involuntary cuts, many of them furloughs that mean employees can be called back if demand returns, represent close to 17% of United's staffing level at the end of 2019.
- The 16,370 employees to be furloughed, however, is far lower than the 36,000 staff that Chicago-based United warned in July that their jobs were at risk. The reduction is thanks to thousands of volunteers who accepted buyouts, early retirement packages and more than a dozen other optional programs like voluntary furloughs, temporary leaves of absence, or reduced or shared schedules.
- More than 7,000 United employees opted to separate from the company.
- The company could still further lower the number of involuntary job cuts through voluntary measures, particularly with its pilots.
- The planned involuntary cuts of 16,370 jobs include 6,920 flight attendants, 2,850 pilots, 1,400 management jobs, 2,010 mechanics and 2,260 in airport operations, among others.

Lufthansa, Austrian Airlines resume Dulles service

- German carrier Lufthansa has resumed service from Dulles International Airport after a five-month hiatus, with five weekly flights from Washington to Frankfurt.
- Austrian Airlines, owned by Lufthansa Group, resumed its service from Dulles to Vienna in July.
- More than 30 international carriers typically serve Dulles airport, which has the lion's share of international flights in the D.C. region, but few have maintained their regular service since the COVID-19 pandemic began.
- Earlier this week, Air France resumed Dulles service with four flights a week to Paris.
- Total international passenger volume at Dulles in June was down 95.8% compared to last June. Domestic passenger volume was down 84.5%.
- Dulles had a total of just 283,000 passengers in June, compared to 2.4 million in June of 2019.

TSA launches 'self-service' checkpoint pilot program at Reagan National Airport

- The Transportation Security Administration is piloting a new touchless "self-service" technology that matches a traveler's live photo with the photo on their ID.
- The initiative automatically authenticates a traveler's ID, matches the live photo with the image on their ID, and confirms their flight information in near real time.

- The pilot is taking place at Ronald Reagan Washington National Airport.
- “In light of COVID-19, advanced health and safety precautions have become a top priority and part of the new normal for TSA,” said TSA Administrator David Pekoske. “As a result, we are exploring rapid testing and deployment of this touchless, self-service technology. At the conclusion of the pilot, we expect to be able to determine how positioning the new technology will allow passengers to use it themselves thereby providing a safer checkpoint experience, while adding significant security benefits.”
- The credential authentication technology units authenticate several thousand types of IDs including:
 - U.S. driver’s licenses and photo IDs issued by state motor vehicle departments
 - U.S. passports/Permanent resident cards or visas
 - U.S. military common access cards/Retired and Uniformed service military ID cards
 - Department of Homeland Security Trusted Traveler ID cards
 - Photographs of travelers taken as part of the program are not saved, as there is no capacity to do so.
- TSA officials say the photographs are only used for identity verification to confirm that the photo matches the image on the traveler’s ID and ensure the passenger is the true bearer of an authentic ID.
- Travelers may complete a brief survey via a QR code regarding their experience and satisfaction with the self-service system and its usability.

Hilton Times Square closing its doors permanently

- The coronavirus pandemic took another victim in Times Square: a Hilton will permanently shut down because of "unforeseeable business circumstances prompted by COVID-19."
- The 44-story hotel filed a notice with the state, explaining that the closure would impact 200 employees. Furloughs at the Hilton Times Square began on March 16, early on in the coronavirus outbreak.
- Hilton Times Square will close its doors for good on Oct. 14.

Casinos Feel Brunt of Hotel Industry ‘Collapse’ Caused by COVID-19

- The hotel industry is “on the brink of collapse,” according to a new report — and casinos are experiencing the brunt of this fallout from the coronavirus pandemic.
- MGM Resorts announced it has laid off 18,000 employees this week from its properties across the country. The layoffs include workers in Nevada, Michigan, New Jersey, New York, and elsewhere.
- In the Las Vegas area, the total hotel occupancy rate, including downtown and the Las Vegas Strip, was down 48.6 percent in July.
- In Nevada, the drop off has shown up in travel numbers. Last week, McCarran International Airport issued its latest travel figures. Statistics show that while passenger totals exceeded 1.6 million in July, that number is down 64 percent from the previous July’s 4.5 million passengers.
- But tourism officials see optimism in the number of flights that have come into Las Vegas since casinos reopened June 4. At one point in the spring, only 110 flights a day were arriving in Las Vegas. By July, that number was up to 280 arrivals each day.

Disney: Cinderella's Royal Table, Other Restaurants to Soon Reopen

- Two table-service restaurants—Cinderella's Royal Table at Magic Kingdom and Hollywood & Vine at Disney's Hollywood Studios—will reopen later this month.
- Cinderella's Royal Table will reopen September 24, but, according to Disney, will not feature any appearances from the princesses.
- Hollywood & Vine will return September 25, with Halloween decorations to get visitors in the "spooky spirit." The restaurant will offer Minnie's Halloween Dine, the seasonal character dining experience.

'Let's Go There' Campaign Aims to Encourage U.S. Leisure and Business Travel

- The Let's Go There campaign, initiated by the U.S. Travel Association, launches next Tuesday, Sept. 8. The aim: to inspire Americans to plan business and leisure trips, either now or in the near future.
- The U.S. Travel Association urges the entire hospitality industry to join the marketing push to reignite wanderlust.
- Last week, the Let's Go There Coalition rolled out a suite of materials for use by the industry, including social media graphics, sample website copy, a participation checklist and other ideas. The coalition has created two versions of these materials: "Let's Go There" for those who are ready to start promoting travel now, and "Let's Go There, Soon" for those who wish to participate but are not yet actively marketing to travelers.
- The "soon" version of the campaign was created for destinations or travel businesses that are unable to market to out-of-state visitors at this time due to quarantines, local government restrictions, rising coronavirus cases or other limitations. Toolkit materials focus on providing inspiration for future travel, not necessarily taking action right now.