



## Travel Industry Update

September 4, 2020

### American Airlines Chops 83,000 Flights From Its October Schedule

- American Airlines has cut 83,000 domestic flights from its October schedule during the last two weeks even as it holds onto hope that another round of federal stimulus grants could save jobs and service to some cities.
- Fort Worth-based American Airlines has cut its global schedule by 55% from a year ago for the October month, the company confirmed, including a 48% decrease in domestic flying as the COVID-19 pandemic shows no signs of letting up and passengers show little eagerness to return to the skies.
- It leaves American with about 99,000 flights for October, slightly more than it has planned for a slimmed down September schedule. The carrier continues to shrink its schedules the closer it gets to the actual month of flying, an indication of how tricky it is to forecast demand during a global health pandemic, said Jeff Pelletier, managing director of Dallas-based Airline Data Inc.

### Hawaiian Airlines does away with change fees for most travelers

- Hawaiian Airlines is waiving change fees for most customers looking to reschedule travel inter-island or between Hawaii and the mainland or international destinations.
- The carrier said it had already been waiving change fees for those who needed to postpone due to the pandemic.
- In extending the benefit, it's following the lead of other carriers, including United and Delta.
- The airline said its new change fee waiver doesn't apply to Main Cabin Basic fares, which are lower than other economy fares.

### Spirit adding biometrics to minimize interactions between passengers and staff

- Spirit Airlines may be best known for its low, unbundled fares and endless upsells, but now the ultra-low-cost carrier's looking to boost its reputation as a technology leader, with what it's calling "the check-in experience of the future."
- Now available at Chicago O'Hare (ORD) and New York LaGuardia (LGA), the carrier's new lobby areas use biometric photo-matching to help speed up the check-in process. After scanning their ID and agreeing to a face scan, passengers can use Spirit's kiosks to confirm their identity, allowing them to check in their own bags without an agent's assistance.
- Spirit says it's the first U.S. airline to employ this technology for domestic passengers. For the time being, agents do need to verify a passenger's ID before they can access the scanners, but the airline hopes to eliminate that step once it secures TSA approval, which the airline expects soon.

- Spirit has been testing the new solution with international travelers the past few months, and now it's ready to roll it out to domestic customers as well. Spirit's new check-in tech is now available at LaGuardia and O'Hare, with the carrier hoping to offer it at other airports soon.
- According to Spirit, "Guests check around 1,000 bags daily right now at ORD and LGA, each of which represents a face-to-face interaction that can be eliminated. Spirit anticipates handling more than double that volume when demand for air travel returns to normal, 90% of which the airline expects to process via self-bag drop."
- In addition to reduced interactions between passengers and staff, the new system has proven to save time, since travelers don't need to wait for an employee to wander over and process their checked bag. According to Spirit, the new bag-drop process takes an average of 70 seconds per customer, which it says is 30% faster.
- Currently, Spirit's tech just covers the check-in process — you'll still need to scan your boarding pass at the gate. Still, biometric boarding will likely follow at some point, as the technology has already proven effective with some international flights, including those operated by American, Delta and JetBlue.

### **Air Canada starts COVID-19 testing at Toronto airport in push to lift travel restrictions**

- Air Canada said on Thursday it has launched a voluntary COVID-19 study of international travelers coming into Toronto's Pearson Airport as part of a campaign to persuade the government to lift travel restrictions such as its 14-day quarantine.
- Under the study, set to begin on Thursday, participating passengers will provide samples to be analyzed for COVID-19 using polymerase chain reaction (PCR) tests upon arrival and in two follow-ups to establish how many travelers arrive infected.
- "Our study will provide data to help determine if an airport-based COVID-19 surveillance program is feasible, whether self-collection of COVID-19 testing is effective, and to explore options regarding the 14-day quarantine for international travel," Air Canada said.
- Canada's borders are now closed to all non-citizens except for essential workers, and Canadians who enter the country from abroad must self-isolate for two weeks.

### **Coronavirus: Virgin Atlantic to cut another 1,000 jobs after £1.2bn rescue**

- Virgin Atlantic Airways is preparing to cut more than 1,000 jobs within hours of seeing a £1.2bn rescue deal approved, as it contends with a slower-than-expected recovery in international demand for air travel.
- Less than four months ago, the airline axed 3,150 roles and announcing the closure of its base at London's Gatwick Airport.
- The latest round of cuts would mean that Virgin Atlantic's workforce has almost halved from its pre-pandemic level of about 10,000 people.

### **Philadelphia International Airport Still Can't Receive Most International Flights**

- Looking at cities to the north and the south, officials at Philadelphia International Airport see a powerful status symbol they still lack: federal approval to receive many flights from abroad -- in Philly's case, namely Europe.

- Since coronavirus-related restrictions on international travel took effect earlier this year, the U.S. government has granted so-called funneling status to a select group of airports, meaning that passenger flights from China, the United Kingdom, much of continental Europe, and certain other countries can land there.
- The list has grown to 15 airports so far. But PHL isn't on it.
- Newark Liberty, New York's JFK, Washington Dulles, and Boston Logan all have the designation.
- So do airports in several smaller cities, such as Seattle-Tacoma, Fort Lauderdale, and Detroit.
- International tourism plays a big role in the Philadelphia region's economy. Nearly 700,000 overseas travelers visited Philadelphia in 2018, generating \$1.2 billion in economic activity, according to the Philadelphia Convention and Visitors Bureau. The organization has not yet finalized its count of 2019 international visitors, but on Wednesday it estimated that the number of those visitors could fall 79% in 2020 because of COVID-19.
- Funneling status isn't the only factor in the outlook. Consumer confidence in the safety of travel and restrictions on foreign nationals entering the U.S. will also help determine the region's travel and tourism recovery.

### **Marriott announces up to 673 layoffs at Bethesda headquarters**

- Marriott International could lay off up to 673 workers from its Bethesda headquarters on Fernwood Road next month due to the COVID-19 pandemic, according to a notice filed Thursday.
- Marriott filed a notice of the layoffs under the federal Worker Adjustment Retraining Notification (WARN) Act, which requires some employers to give advance notice of business closures and mass layoffs.
- According to the notice, the layoffs take effect Oct. 23 and are due to the COVID-19 pandemic.
- There are about 4,000 corporate employees who work at Marriott's Bethesda headquarters.
- Ben Gerow, a Marriott spokesman, confirmed to Bethesda Beat in an email on Thursday that the dislocation notice is for layoffs and not furloughs.

### **Australia's cruise ship suspension extended by three months**

- Australia extended its human biosecurity emergency period, involving the suspension of cruise ships and overseas travel restrictions, by an additional three months.
- The emergency period under the Biosecurity Act 2015, which has been in place since March 18, will now be in place until December 17.
- Federal Health Minister Greg Hunt said the extension follows specialist medical and epidemiological advice provided by the Australian Health Protection Principal Committee (AHPPC).

**California making 'a lot of progress' on reopening theme parks, but Gov. Newsom isn't ready to say when**

- California is making "a lot of progress" toward reopening Disneyland and other theme parks, Gov. Gavin Newsom said Wednesday.
- Still, Newsom said in a news conference, "we still have work to do" to establish guidelines that would allow the parks to reopen for the first time since they shut down in March because of the coronavirus pandemic.
- "We're still working on some details," he said, without offering any specifics.
- Orange County, where Disneyland is located, was removed late last month from a list of counties on California's monitoring list for the coronavirus. Still, theme parks cannot reopen under current criteria.
- Disney officials have said they're ready to reopen the park as soon as the state gives them the go-ahead.