



Travel Industry Update

September 25, 2020

Hawaiian Airlines rolls out drive-through COVID-19 testing in LA and San Francisco

- In a Friday press release, Hawaiian said services will be in place by Oct. 15, when Hawaii begins allowing out-of-state visitors to bypass its mandatory 14-day quarantine by presenting a negative PCR test for COVID-19 taken within 72 hours of travel.
- Hawaiian Airlines passengers who avail themselves of the offer can use drive-through services at Worksite Labs locations near LAX and SFO. They can opt to pay \$90 to get their results within 36 hours or \$150 for same-day results. Its Droplet Digital PCR shallow nasal swab tests meet Hawaii's testing requirements.

United closes mask policy loophole during meal service

- Across airlines, masks may be removed when eating or drinking. Yet some flyers have been enjoying leisurely meals and sipping on drinks for the majority of the flight — some, presumably, to avoid wearing a face covering.
- And that's no longer going to fly with United.
- On Tuesday, Sept. 23, the Chicago-based carrier updated its mask policy in an effort to limit the amount of time people aren't wearing masks while onboard.
- Previously, the airline simply offered an exception to the mask requirement when passengers were eating or drinking. But effective immediately, the newly tightened policy now states that "while you can remove your face covering briefly to eat or drink, you must immediately put it back on afterward."
- The carrier's updated policy comes as there's growing concern among travelers on all airlines about those using eating and drinking as an excuse for not wearing a mask.

Qantas Airlines' \$1,048 Fully Stocked Boeing 747 Bar Carts Sold Out In Minutes

- Qantas retired its last 747 in July, so it put the 747s' drinks cars up for sale to make a bit of extra cash, reports Simple Flying. That retirement came ahead of schedule due to the ongoing pandemic, so Qantas is now trying some interesting things to make up the loss in funds. You could get a full bar cart or a half bar cart from its fleet of 65 Boeing 747s, but you had to act fast—the bar carts sold out within minutes of going live.
- Both bar carts included delivery, so there's no queuing whatsoever involved in claiming your new purchase, however, they were only available to people in Australia. The full-size carts cost \$1,048 U.S. (\$1,474.70 Australian) or 256,000 frequent flyer points, and the half-carts cost \$687.75 U.S. (\$974.70 Australian) or 169,000 frequent flier points.
- The bar carts were used, so you're getting authentic in-flight dings and scuffs here. More importantly, though, they had everything you'd need to get cozy on a flight: Tim Tams,

full-size bottles of champagne, mini-bottles of white and red wine, smoked almonds, savory biscuits, amenity kits, first-class blankets and sleepwear.

Marriott May Lose 122 Hotels Over Dispute

- Marriott doesn't actually own most of its hotels, but rather they're owned by investment companies, and then Marriott just has a contract to manage them. Service Properties Trust (SVC) owns 122 Marriott properties in 31 states
- SVC has sent a letter to Marriott requesting Marriott pay \$11 million within 10 days, or else it will terminate its management contract with Marriott:
- - The \$11 million is supposed to cover the shortfall between the payments SVC has received to date from Marriott, and 80% of the priority returns due to SVC for the eight months ending August 2020
 - These properties require annual minimum returns of \$194.6 million, but both the security deposit that SVC previously held to secure minimum return payments, and the \$30 million guarantee provided by Marriott, have been fully utilized
 - While the contract between SVC and Marriott was supposed to expire in 2035, SVC will terminate its agreement if it doesn't get the payment
 - These hotels will then be rebranded from Marriott to Sonesta
- In many ways it almost seems like SVC is looking for opportunities to have more hotels join Sonesta, because SVC owns a 34% stake in Sonesta. In other words, it shares in the benefit of the new management agreement on both ends.
- Currently Sonesta has about 80 properties. Then there are another 103 coming from IHG, and now there will potentially be another 122 from Marriott, which means the size of Sonesta could roughly quadruple in a year.