



Travel Industry Update

November 13, 2020

American Airlines to offer app detailing pandemic-related travel requirements

- American Airlines Group Inc said on Thursday it would offer its customers a mobile app from Nov. 18 to show COVID-19 testing and documentation requirements for their destination.
- The app, VeriFLY, by software firm Daon, allows real-time verification of COVID-19 related credentials, such as diagnostic lab test results, and aims to streamline the check-in and verification process at the airport.
- “Piloting this new solution is a direct response to our customers’ increasing desire to explore more international travel opportunities,” President Robert Isom said in a statement.
- After verifying that the traveler’s data matches the country’s requirements, the app displays either a pass or a fail message.
- The app will launch for flights from American’s hub in Miami to Jamaica.

Southwest Airlines says holiday bookings are slowing again after latest wave of COVID-19

- Southwest Airlines cautioned Thursday that the tenuous recovery in air travel could be fading as coronavirus cases spike across the United States.
- The nation’s fourth-biggest airline said after a modest rise in leisure-travel bookings from August through October, it now sees a slowdown in what were improving revenue trends for November and December.

JetBlue will stop blocking seats on board in January, joining Southwest

- JetBlue Airways said Thursday it will start selling all seats on board its flights on Jan. 8.
- The airline joins Southwest and American in lifting the policy of blocking some seats so that passengers are socially distanced due to the coronavirus.
- Delta plans to block middle seats through at least Jan. 6 and says it will reevaluate then.

Hawaiian Airlines offers HawaiianMiles redemption for COVID-19 mail-in test kit

- Hawaiian Airlines is now the first U.S. carrier to allow members in its loyalty program to redeem miles for a pre-travel COVID-19 test. HawaiianMiles members across the United States can redeem 14,000 HawaiianMiles to order a mail-in test kit by Vault Health, a state of Hawai’i trusted testing partner.
- The redemption offer will be available to HawaiianMiles members for a limited time only. Members who choose to redeem their miles for a test kit will receive a confirmation

email which includes a link to order the COVID-19 mail-in test kit from the Vault Health website.

- The test kit, which is available for travelers of all ages including children, will be mailed to guests who will self-collect their saliva sample with assistance from a testing supervisor in a video call. The kit is then express shipped to a lab, which will process and analyze the sample and provide travelers their results electronically within 24 hours of receiving the sample for an overall turnaround time under 72 hours.

Emirates' Half Year Loss Of \$3.8 Billion

- The Emirates Group shared its half-year results for its 2020-21 financial year. The Dubai-based company recorded a loss of AED 14.1 billion (\$3.8 billion). This figure parallels last year's profit of AED 1.2 billion (\$320 million).
- Revenue is down 74% to AED 13.7 billion (\$3.7 billion) for the first six months of the financial year. This figure is down 74% from AED 53.3 billion (\$14.5 billion) for the same period last year.

Jacksonville International Airport Issues Holiday Travel Updates and Restrictions

- Speaking Tuesday in a quiet airport lobby with many retail and restaurants shuttered nearby, Jacksonville Aviation Authority external affairs director Michael Stewart said they expect a "little extra bump" in air travel over Thanksgiving and Christmas. So they are preparing for it, reopening parking and expanding food services that haven't had enough traffic lately to stay open.
- "Parking and concessions will be the real challenge during this period because we did not want to bring people in then let them go again after the holidays," he said. "... We have almost half of our concessions open, and hopefully they will be able to stay open past the Christmas holiday season. That will be decided upon as we see traffic increase."

Meeting-Hotel Outlook: Bending, Hopefully Not Breaking

- Hilton and Hyatt reported a few better-than-expected results for Q3, but Hyatt warned that some meeting hotels could close for a while.
- Hilton Worldwide Holdings disclosed on November 4 that it has seen gradual improvement in demand and, combined with significant cost cuts, this resulted in a manageable shortfall for the quarter ending September 30. Hilton's net loss was \$81 million for the period between July 1 and September 30, versus a gain of \$290 million for the same period in 2019.
- Although revenue per available room in the quarter fell 60 percent versus 2019, that was an improvement from Q2, when RevPAR was 80 percent below the same period in 2019. Systemwide occupancy was 42.5 percent in Q3, with notable increases in China and Japan. However, Hilton's ability to cut costs by 53 percent through staff cuts and temporary closures was instrumental in bringing the company's losses from the pandemic under control.
- At Hyatt Hotels, total room nights sold in the July 1-September 30 period was twice as much as in the April 1-June 30 period. But third-quarter RevPAR was down 72 percent after being down 90 percent in Q2 year over year. Further, Q3 occupancy at full-service properties was just 17.7 percent, which contributed to the company's \$161 million loss in net income during that time.

- Hyatt did see its properties in China improving their performance notably, with both group and transient business in Q3 2020 almost the same as in Q3 2019. But in much of the rest of the world, the company sees big challenges, especially with mid-sized and large business groups.
- Hyatt's group bookings for 2021 are 40 percent lower than at this time last year for 2020. While advancements in Covid-19 testing, treatments, and vaccine development might allow hotels to reap the benefit of pent-up group demand in 2022, Hyatt CEO Mark Hoplemazian said in the company's quarterly earnings call this week that "we are prepared for the first half of 2021 to be challenging. Business transient and group will both be necessary ingredients for achieving a full recovery," but corporate-travel restrictions make that unlikely as of now.
- The result, Hoplemazian said, could be closures of some meetings-focused hotels across both the U.S. and Europe, especially in urban areas, for at least part of 2021.

Disney executives slam California for not allowing Disneyland to reopen sooner

- Walt Disney Co. executives slammed California officials on Thursday for not allowing Disneyland to reopen, perhaps for months, as the company reported a nearly \$600 million loss for its fourth quarter.
- In an investor presentation Thursday, Christine McCarthy, senior executive vice president and chief financial officer, said Disneyland would not reopen before year's end because of California's stringent coronavirus pandemic guidelines.
- Bob Chapek, Disney's CEO, called California's guidelines "arbitrary" and noted that the company has been able to safely reopen its other theme parks, including Disney World in Florida.
- "We are very disappointed that the state of California continues to keep Disneyland closed," he said.
- Earlier this month, a group of California mayors sent a letter to Gov. Gavin Newsom asking him to consider relaxing the guidelines so that Disneyland, Universal Orlando and other large theme parks could reopen sooner.
- The mayors warned that the closures could last months and cost jobs and local economies already reeling from COVID-19 impacts.
- Disney has laid off 28,000 employees in California and Florida.

Passenger tests positive for coronavirus on first cruise ship to sail Caribbean since pandemic

- A passenger aboard the first cruise ship to set sail in the Caribbean since the start of the pandemic has tested positive for coronavirus, according to a reporter traveling on the ship.
- Gene Sloan, a cruise writer for The Points Guy, said in a post on Wednesday that the captain of the SeaDream 1 made a shipwide announcement alerting guests to the positive case and asked that everyone return to their rooms.
- The passenger tested positive on a "preliminary basis," according to Sloan. It's not clear what "preliminary" means.
- The news came four days into the ship's seven-day voyage after it left Barbados on Saturday with 53 passengers on board. It had traveled to Saint Vincent, Canouan Island, Tobago Cays, and Union Island in the Grenadines and was scheduled to end on Nov. 14 but returned to Barbados early.

- Sloan told NBC's "Today" show that the ship came up with an "incredibly rigorous system" to try and keep Covid-19 cases off the vessel. Everyone was tested before arriving in Barbados and again at the pier and received negative results.
- Passengers also did not interact with locals during their stops and were shuttled to empty beaches to either relax or do an excursion.
- The ship was planning on doing a third round of tests on Wednesday when the passenger went to the ship's doctor and said he was feeling sick, Sloan said.
- "We haven't interacted with people in any of the places we've gone. So somebody got on the ship with Covid," Sloan said.
- At the beginning of the trip, passengers were not required to wear face masks. Sloan explained that the ship believed that its extensive testing prior to passengers boarding "would block Covid at the door, so to speak."
- But that changed when two days into the voyage the captain said that masks would be mandatory.