



Travel Industry Update

December 23, 2020

[Airlines welcome back thousands of furloughed workers after Congress passes stimulus bill](#)

- Executives from United and American Airlines announced plans Tuesday to bring back thousands of their furloughed workers in response to Congress passing its latest Covid-19 relief bill.
- The new law includes an extension of the airline industry's Payroll Support Program, which sets aside \$15 billion in assistance to bring back more than 32,000 United and American Airlines employees who were furloughed in September. The companies say the additional funds are enough to pay those workers through March 31.
- In a Tuesday morning letter, United CEO Scott Kirby and President Brett Hart said their company plans to restore "temporary employment" to thousands of their out-of-work employees.
- American Airlines laid off 9,000 of its workers back in September. The company told its furloughed workers on Tuesday that it expects they will receive retroactive pay by Christmas Eve, according to a letter provided to CNN Business via email. CEO Doug Parker also thanked elected officials for restoring the Payroll Support Program.
- It's still unclear whether airport concessions workers will benefit from this legislation, according to UNITE HERE, the union for more than 45,000 airport industry, hotel, gaming, food service, manufacturing, textile, distribution, laundry and transportation workers in the United States and Canada.
- More than 75% of the union's hospitality industry members remain out of work this month.

[Three airlines will require passengers test negative for Covid for London-New York flights after Cuomo request](#)

- New York Gov. Andrew Cuomo says he's asked Delta, British Airways and Virgin Atlantic to ensure travelers test negative for the coronavirus before flying to the U.S.
- More than two dozen countries have restricted travel from the U.K. because of a highly contagious strain of the virus there.

[American drops 4 international cities, adds domestic flights in major route shakeup](#)

- Over the weekend, the Fort Worth-based airline loaded a major schedule update for 2021 flying, a move designed to "match anticipated demand" for next year, according to a carrier spokesperson.

- The route-map shakeup will see American drop four international cities, three of which are permanent. American also will add a host of domestic and short-haul international flights.
- American is closing three European outstations: Manchester (MAN), Prague (PRG) and Reykjavik (KEF). It's also dropping service to Venice (VCE) until 2022 at the earliest.
- Instead of offering service from Philadelphia to the aforementioned airports, the carrier plans to redeploy the unused aircraft to Latin America and the Caribbean.
- The move leaves Philadelphia, once AA's main East Coast transatlantic gateway with just 12 long-haul European destinations slated for 2021, including Amsterdam (AMS), Paris (CDG) and London Heathrow (LHR), among others.
- In American's latest update that hit this week, the carrier added nearly 2,300 new flights to the Caribbean and Latin American for 2021, boosting the number of available seats by over 8% systemwide, according to Cirium schedules. Meanwhile, European flights were slashed by almost 10%.
- American plans to add three of its own routes from JetBlue's South Florida hub in Fort Lauderdale.
- Come May 6, 2021, American will launch non-stop Charlotte (CLT) to Honolulu (HNL) service on the Boeing 777-200, representing the first time the carrier has flown the route since 2010 when it last flew with the US Airways livery.

Man who fell ill on United flight from Florida died of Covid-19, coroner confirms

- Covid-19 caused the death of a traveler who fell ill aboard a flight from Florida to California last week, Louisiana authorities said Tuesday.
- Jefferson Parish coroners listed "acute respiratory failure" and "Covid-19" as causes of death for Isaias Hernandez, a 69-year-old Los Angeles resident.
- Hernandez had been aboard a westbound United Airlines flight from Orlando to Los Angeles last Monday. After falling ill, two fellow travelers — a nurse and EMT — performed cardiopulmonary resuscitation on him, witnesses said.
- The flight was diverted to New Orleans and Hernandez died that night at a hospital in Kenner, Louisiana, according to the coroner's report.

United Airlines Working with CDC after Suspected COVID-19 Related Death During Flight to California

- Health officials are racing to contact those who traveled aboard a United Airlines plane after a passenger exhibiting coronavirus symptoms experienced a "medical emergency" during a flight from Orlando, Florida, to Los Angeles earlier this week and subsequently died.
- United Airlines flight 591 was forced to divert to New Orleans on Monday when a man aboard the aircraft became suddenly ill, according to USA Today. He was dropped off at an area hospital, where he later died, before the plane continued on to California.
- United is working with the government to notify passengers who may have been exposed.
- "At the time of the diversion, we were informed he had suffered a cardiac arrest, so passengers were given the option to take a later flight or continue on with their travel plans," a United Airlines spokesperson said in a statement on Friday.
- "Now that the CDC (Centers for Disease Control and Prevention) has contacted us directly, we are sharing requested information with the agency so they can work with

local health officials to conduct outreach to any customer the CDC believes may be at risk for possible exposure or infection.”

- Before boarding a flight, United Airlines requires all passengers to fill out a ready-to-fly checklist, promising they had not tested positive for COVID-19 and did not have symptoms. The questionnaires operate on the honor system and travelers are not required to show proof of health.
- A fellow passenger posted on social media in wake of the incident that the deceased’s wife had told emergency responders her husband had been suffering coronavirus symptoms, including a loss of taste and smell, before takeoff.
- Four flight attendants who worked aboard Flight 591 entered a 14-day quarantine upon their arrival at Los Angeles International Airport, Taylor Garland, a spokesperson for Association of Flight Attendants-CWA, told NBC Los Angeles.
- The CDC said in a statement that they are in the “process of collecting information and proceeding according to our standard operating procedures to determine if further public health action is appropriate.”
- The agency has declined to provide any additional information about the deceased passenger “to protect the privacy of the individual.”

Effects Of The Pandemic On Bus Travel Industry

- Bus travel has fallen by more than 80% during the pandemic.
- Public health authorities are encouraging people to avoid travel if possible.
- Those who do have to take the bus for whatever reason are finding fewer options and higher prices as a result.

Hotel industry urges governors to include hotel employees for Phase 1b of COVID-19 vaccine distribution

- As governors and state public health agencies begin to finalize COVID-19 vaccine distribution plans for the next 1b phase, the American Hotel and Lodging Association (AHLA) is calling on governors and state public health agencies to include hotel employees for inclusion in phase “1b” of the vaccination rollout.
- View full letter [here](#).

The cruise industry won’t return to pre-pandemic levels until 2030: analyst

- The arrival of COVID-19 vaccines could give the beleaguered travel industry a much-needed shot in the arm in 2021. But analysts caution there’s still a long way to go before it’s smooth sailing for the cruise lines.
- “The vaccine may not be a panacea for the cruise line industry versus airlines or leisure hotels, where the outlook is a little bit better,” Jason Ader, CEO of SpringOwl Asset Management, tells Yahoo Finance Live. “The perception of the cruise industry is that it’s a floating petri dish. And that’s a bad perception.”
- Previous coronavirus outbreaks on cruise ships left thousands of passengers stranded, and that’s affected sentiment for people who have never cruised before. A recent SpringOwl Asset Management survey found that 80% of respondents who have never cruised say they would avoid getting on a ship.
- “I don’t think you’ll see a return to peak profitability in the cruise industry until 2030,” says Ader. “And that’s just not a function of demand coming back, because I do think the

cruise industry will see people want to go on cruises. But the prices will be a challenge. People aren't going to pay a premium for it right away.”

- Cruise passengers tend to be a loyal group. Research from the cruising agency Mundy Cruising found that 81% of luxury cruise passengers plan on taking a cruise next year, although the majority will wait until they have been vaccinated first.
- Ader says there are currently a lot of great deals to be had in the leisure travel market, so the price benefit that the cruise industry has historically provided is no longer as competitive. He points out that it also costs a lot more to keep the ships clean.
- Year-to-date, Royal Caribbean’s (RCL) stock is down 46%, while Carnival Corporation (CCL) and Norwegian Cruise Line Holdings (NCLH) have each plunged nearly 60%.

Disney announces reopening date for Blizzard Beach

- Disney World officials have announced the reopening date for Blizzard Beach.
- The water park will reopen on March 7, 2021.
- The water parks at Disney World have not reopened amid the coronavirus pandemic.
- No reopening date yet for Typhoon Lagoon.