

# Business Travel

# Footnotes™

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## A BUSINESS TRAVEL UPDATE FROM ALL SEASONS TRAVEL

### [A Note from All Seasons Travel](#)

The oil spill in the Gulf may inhibit travel to the Gulf Coast for at least the next three years. We encourage travel to this beautiful area and hope we can lessen the effect of this spill on small and large businesses. As promoters of travel, All Seasons believes in the importance of tourism to all parts of our Country and the World. The entire Gulf Coast is open for business.

### [Airlines](#)

#### [Continental tests 'self-boarding' at Houston airport](#)

Continental Airlines has confirmed it's testing the self-boarding procedure at a gate at its hub in Houston Intercontinental Airport. It's the first experiment of self-boarding in the U.S. With self-boarding, passengers, much like customers of the New York City subway, swipe their boarding passes at a kiosk reader at the gate. That opens a turnstile or door to the jet-bridge. Although an agent isn't there to take the pass, one is typically present to handle problems and other customer service tasks. The practice has been common at many foreign airports for several years. And if the rate of adoption abroad is any indication, self-boarding could soon proliferate in the U.S. *Source: USA Today*

#### [Airlines Revenues and Profits Are Up; So Are Fares](#)

The Air Transport Association of America (ATA) said last week that passenger revenues for a core group of U.S. carriers in June were up 25 percent over last June. Next, the aviation consulting firm [AirlinesFinancials.com](#) reported that the nine biggest airlines' second quarter profits just missed a decade high. And, those same airlines' second quarter revenues were the second highest in history. Finally, the Department of Transportation reported that average domestic airfares in the first quarter of 2010 were up 4.7 percent from the first quarter of 2009 and at their second highest level since 2001. The ATA quickly pointed out that, despite the rise, airfares continue to be a good deal, they may be higher than they were in 2009, but are at about the same level they were in 1999, when the average one-way fare was \$153.88. *Source: ATA, AirlineFinancials.com, DOT press releases*

#### [FAA Says Mexico Falls Short of ICAO Safety Standards](#)

The Federal Aviation Administration (FAA) said that Mexico does not meet international safety standards set by the International Civil Aviation Organization (ICAO). As a result, the United States is downgrading Mexico from a Category 1 to Category 2 rating. With the IASA Category 2 rating, Mexican air carriers cannot establish new service to the United States, although they are allowed to maintain existing service. The FAA said that Mexico is making "significant improvements" and that it will work closely with Mexico to help it regain its Category 1 ranking. Aeromexico, meanwhile, issued a statement saying that the downgrade does not refer to the safety of individual airlines. Aeromexico said it continues to comply with the highest international safety standards and is operating normally. *Source: FAA, Aeromexico press releases*

#### [American, JetBlue Tighten Partnership](#)

Airlines continue to ally with each other in order to gain efficiencies of scale. Some, like Delta Air Lines and Northwest Airlines two years ago and United Airlines and Continental Airlines this year, are merging. But American Airlines and JetBlue Airways are taking another tack by tightening their partnership. American and JetBlue now offer interline service linking JetBlue domestic flights into Boston Logan and New York's JFK to 14 international destinations American Airlines serves. It's offering this service on domestic flights on which the two carriers do not overlap. You can book American and JetBlue flights on a single itinerary through your travel agency, major online travel agency websites or through American. Ultimately the two carriers will sell these flights on both airlines' websites. Later this year, the two carriers will enable members of each airlines' frequent flyer club, American's AAdvantage program and JetBlue's TrueBlue program, to earn points in their respective program when they fly these routes. *Source: American, JetBlue press release*

## **GAO Proposes Rules Governing Airline Ancillary Fees**

Airline ancillary fees increased by 43 percent last year, totaling \$13.5 billion, a number big enough to get attention from Congress and the government's watchdog agency, the General Accounting Office. The GAO is designing rules requiring airlines to tell customers about these fees in a consistent way. A Congressional subcommittee on aviation just held hearings on the fees. At that hearing, the head of the National Business Travel Association testified that "fees equal fares" and that the DOT should require airlines to display those fees clearly at every step of the booking and purchasing process. *Source: GAO, NBTA press releases*

## **Hotels**

### **U.S. Hotel Rates, Occupancies Start to Rise**

Occupancies in U.S. hotels were up 6.9 percent in June and rates increased slightly, according to Smith Travel Research. Occupancies rose to 65 percent and the average daily rate in June increased by one percent to \$98.33. The first half of this year and the second quarter showed a marked improvement over last year, said Bobby Bowers, senior VP of STR. He said second quarter demand increased 8.7 percent, the biggest jump since STR started tracking these figures in 1987. And, he said, ADR is also going up slowly, especially for upper end hotels. Some cities are seeing big occupancy increases. Boston has seen occupancies go up nearly 15 percent for the first half of the year, and New York City rates are up 5.4 percent. *Source: STR press release*

## **Car Rental and Rail**

### **Enterprise to Start Renting Electric Cars in November**

Enterprise Rent-A-Car said it will rent electric vehicles (EVs) at some of its neighborhood locations beginning in January. The company will rent the vehicles in cities with the infrastructure to support them: Phoenix, Tucson, Knoxville, Nashville, San Diego, Los Angeles, Portland, Oregon and Seattle. *Source: Enterprise press release*

### **Avis Introduces Avis Blast With SIRIUS XM Radio**

Avis Rent A Car has just introduced *Avis Blast*, a new SIRIUS XM Radio service available at more than 70 Avis locations in the United States. The service offers more than 170 channels of programming from SIRIUS XM. It's available at major airports and select Avis off-airport locations. Renters get the "XM Everything" package, including commercial-free music in every genre. *Source: Avis press release*



## ***Spotlight On..... Hotel Guest Satisfaction***

*Hotels are making their guests happier. The just-released J.D. Power and Associates 2010 North America Hotel Guest Satisfaction Index Study found that, despite the economic downturn of the past year, hotels across the board, from budget to luxury, have improved their satisfaction ratings. Extended stay and mid-scale full-service properties showed the greatest gains.*

- *Must-haves for guests: Wi-fi, free breakfast and pillow and bedding choices*
- *Eighty-seven percent prefer a smoke-free environment*
- *Sixty-eight percent are aware of hotels' "green" initiatives; 73 percent of these guests participate in them*
- *Winning hotel companies: Ritz-Carlton, Omni, Hilton Garden Inn, Drury Inn & Suites, Microtel and Homewood Suites*

*The study looks at luxury, upscale, mid-scale full service, mid-scale limited service, economy/budget and extended stay hotels.* *Source: J.D. Power press release*

*All Seasons Travel is committed to providing you with useful information on the latest developments in the travel industry. The following information has been compiled from a variety of sources and is updated monthly.*