

A BUSINESS TRAVEL UPDATE FROM ALL SEASONS TRAVEL

Airlines

Air Travel Demand Falls Fifth Month in a Row

The Air Transport Association of America reported that passenger revenue fell 23 percent in March 2009 versus March 2008, the fifth consecutive month in which passenger revenue has fallen from the prior year. March passenger traffic on U.S. airlines fell by 10 percent, while the overall cost to fly one mile fell by 13 percent. Declines extended beyond the mainland United States to transatlantic, transpacific and Latin markets. Source: Air Transport Association press release

Airlines Cut Fares

JetBlue Airways trimmed \$100 off some of its nonrefundable fares. Air France introduced a lower priced business "leisure" fare for the summer and Continental Airlines cut BusinessFirst fares to Asia. JetBlue dropped nonrefundable fares from \$599 to \$499 on 24 of its transcontinental routes. Air France is offering a 60-day advance purchase business fare to 25 popular destinations in Europe and the Middle East. Sample roundtrip fares: New York-Paris, \$2,222, Houston-Madrid, \$2,622 and Chicago-Zurich, \$2,458. Continental is now offering fares from the New York area to Shanghai, Beijing, Hong Kong and Tokyo starting at \$3,076. Source: Air France, Continental, JetBlue press releases

Delta, Northwest Merge Frequent Flyer Programs in SkyMiles Card

American Express has launched a marketing campaign to build awareness for the SkyMiles cards in key Delta hubs, formerly Northwest hubs, within the U.S. including Detroit, Minneapolis/St. Paul and Memphis. The Northwest WorldPerks and Delta SkyMiles frequent flyer programs are merging, but Northwest members will have to apply for a Delta SkyMiles Credit Card from American Express to continue earning miles both from credit card purchases and from flying. American Express is expanding benefits in the program so that card members can earn and redeem miles in more ways and places. This includes the ability to earn double miles on all Delta and Northwest-operated flights. Gold and Platinum Delta SkyMiles Credit card members and Delta Reserve card members, who now earn Double Miles on virtually every dollar of spent with Delta, can also earn Double Miles on all purchases made with Delta's wholly-owned subsidiary, Northwest. The Pay with Miles feature, which currently allows Gold, Platinum and Reserve card members to book Delta flights with no black-out dates or inventory restrictions on delta.com, will also be expanded to all Northwest-operated flights. Source: American Express press release

Corporate America Curtails Travel to Mexico

Forty-seven percent of members of the Association of Corporate Travel Executives (ACTE) responding to a survey of the impact of the swine flu on their company's travel said that their companies have restricted business travel to Mexico. Three percent have restricted travel to the U.S. and Mexico, while 7 percent are restricting travel to any country with reported cases of H1N1 swine influenza. One percent reported restricting travel to the U.S. only. Forty-two percent are claiming no travel restrictions at all. Excluding travel to Mexico, only 11 percent of respondents cited travel restrictions. Meanwhile, the International Air Transport Association said airlines were prepared for dealing with swine flu, saying IATA has worked with WHO to prepare guidance materials for front-line staff at airlines, including cabin crew, maintenance workers, cleaners, passenger agents and cargo/baggage handlers. WHO advises there should be no restriction of regular travel or closure of borders. It is considered prudent for people who are ill to delay international travel and for people developing symptoms following international travel to seek medical attention, in line with guidance from national authorities. Source: ACTE, IATA press releases

Checked Baggage—International

Currently when traveling to or from cities outside the United States you can check two bags, per passenger at no extra charge. For tickets purchased on or after April 21, 2009 for travel beginning July 1, 2009, customers in economy class will be charged \$50 US (or the local equivalent currency) for the second checked bag. Exceptions to the second checked bag fee include: First and business Class passengers, SkyMiles and WorldPerks elite members (Executive/Platinum/Gold, including Flying Colonels), active duty military members traveling on orders, passengers who purchased tickets prior to April 21, 2009 and passengers who are confirmed on a Full Y class Economy ticket. Source: Delta.com

Delta's SkyBonus and Northwest's Biz Perks Merger Update

What's changing for Delta & Northwest small business programs right now? First and foremost, your companies SkyBonus and Biz Perks points are safe and secure and we are working to align these programs as we integrate both programs in to one best-in-class corporate loyalty program. Until the integration is completed, it is business as usual for Delta's SkyBonus program and Northwest's Biz Perks program. Both programs will continue to operate as two separate business programs following their own terms and conditions. However, in order to accommodate cross-fleeting and aircraft movement, we recently announced a program enhancement which will now allow SkyBonus members the ability to earn SkyBonus points on DL and/or NW flight numbers when issued on DL ticket (006) stock. Likewise, Biz Perks members can now earn Biz Perks points when ticketed on NW, KLM and DL flight numbers and issued on NWA ticket (012) stock. This is the first step in integrating the two programs so our SkyBonus members and Biz Perks members can immediately take advantage of our extended route network using DL or NW aircraft. Source: Delta.com

Bye Bye Boarding Pass

Delta has placed even greater convenience in the hands of its customers by partnering with the Transportation Security Administration (TSA) to launch paperless check in for domestic travel on nonstop Delta, Northwest and Delta Connection® flights departing from Hartsfield-Jackson Atlanta International Airport. "Delta is taking another step to eliminate lines from airports by putting more time-saving technology in the hands of our customers," said Josh Weiss, Delta's managing director – delta.com and Self Service. "With the introduction of paperless check-in at our largest hub, Atlanta-departing customers can now quickly check in and receive a boarding pass 24 hours in advance of their flight literally from anywhere with no paper required."

Other airports currently offering mobile check-in to Delta and Northwest customers include: Las Vegas, Memphis and Minneapolis-St. Paul; Detroit and Indianapolis (Northwest only); and New York-LaGuardia (Delta only). Source: Delta.com

Security

Customs Deactivates Older NEXUS Cards

U.S. Customs and Border Protection canceled old NEXUS cards for current NEXUS members on May 1. CBP has been mailing new NEXUS cards, a card that simplifies border crossing for pre-approved, low-risk travelers, to all members since November. The new cards have enhanced security features and allow U.S. and Canadian citizen cardholders to comply with the documentary requirements of the Western Hemisphere Travel Initiative. All members must activate their new cards within 30 days, verify and update their U.S. mailing address by going to <https://goes-app.cbp.dhs.gov/>. NEXUS members should destroy their old cards after activating their new ones. Source: Customs press release

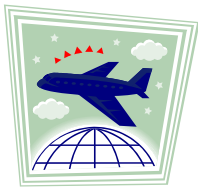
Hotels

Hotels See Occupancy, Rates and Revenues Fall

The U.S. hotel industry reported a 6.1 percent drop in daily rates the last full week in April, finishing at an average daily rate of \$100.44, according to Smith Travel Research. Occupancy fell 8.4 percent to end the week at 59.4 percent. And a third important measure, revenue per available room, fell 14 percent. Dallas and Seattle reported decreases in occupancy of more than 15 percent. New York reported a 23 percent rate decrease to \$207, and the Miami and Hialeah area saw a 17 percent decrease to \$150.14. Some markets were still maintaining. Denver occupancies were up 4.3 percent and average daily rates were up by .8 percent. Source: STR press release

As Demand Tightens, Hotels Work Harder to Keep Guests Happy

Hotels are renewing their focus on customer service, especially when it can attract and serve priority customers, according to a recent Ernst & Young industry survey. Although three quarters of hotels said they are meeting their budgets, their concerns over decreasing demand (rated the biggest challenge today by 82 percent of respondents) and decreasing average daily room rate (the second greatest challenge, according to 56 percent of respondents) mean they are all trying to manage costs more tightly and institute better practices. Expect to see more travel blogs and other web-based resources and a greater emphasis on green initiatives and social responsibility programs, all part of an effort to imprint their brands on you. Source: Ernst & Young press release



Spotlight On.....

Corporate Travel: A Buyer's Market

The economic slide has created a buyer's market for business travel, according to an American Express analysis of domestic international air, car and car rental prices for the full year of 2008 and first quarter of 2009. Airfares, which had been up 7 percent for domestic and 6 percent for international fares in 2008, began to slide in the fourth quarter of 2008 and that continued into the first quarter of 2009. First quarter domestic fares are down 9 percent, and international fares are down 12 percent from the first quarter of last year. Average international hotel rates showed year over year decreases of 12 percent in the first quarter. Car rental costs increased slightly in 2008 but stabilized in the first quarter. Source: American Express press release

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