

Business Travel Footnotes

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AIRLINES

TSA Tries Using Pre-Screening to Make Security Process Faster

Sick of the airport security screening process? You're not alone. The aviation industry recognizes that and is trying a variety of short-term and long-term changes that are designed to make airport security faster and more pleasant. One short-term initiative: the Transportation Security Administration's PreCheck experiment at four U.S. airports. Airline customers volunteer information about themselves in the hopes that it will speed their trip through security. Eligible travelers go through a lane with expedited screening. Passengers participating in the program are certain frequent flyers from American Airlines and Delta Air Lines' frequent flyer programs as well as participants in the Customs and Border Protection Trusted Traveler programs. The TSA is testing PreCheck at Hartsfield-Jackson Atlanta International, Detroit Metropolitan Wayne County, Dallas/Fort Worth International and Miami International airports. (Source: TSA press release)

Airlines, Consumer Groups Lobby Against New Taxes

Airlines, pilot, flight attendant and other airline unions and consumer groups are fighting proposed tax increases on airlines and their passengers, saying the new taxes will cost jobs. The first tax would add a \$100 departure fee to all flights. The second would double the existing passenger security tax to \$5 per one-way trip in 2012, and triple the tax to \$7.50 by 2017. (It is currently \$2.50 per flight segment per one-way trip, maxing out at \$5.) The coalition says that nearly 120 members of the House of Representatives have told congressional leaders that the \$100 departure tax would cost airlines \$1 billion a year. The coalition has launched a website, www.stopairtaxnow.com. (Source: Air Transport Association press release)

Airlines Take in \$1.5 Billion in Baggage Fees and Reservation Change Fees

Airlines collected \$1.5 billion in baggage fees and change fees in the second quarter, according to the Department of Transportation. Airlines took in \$887 million in baggage fees and \$612 million from reservation change fees. Delta Air Lines topped the list, collecting \$392,000 in fees, followed by American Airlines at \$249,936, and United Airlines at \$164,767. So far, the DOT tracks only baggage and change fees, but it has proposed requiring airlines to report a total of 16 different fees.

Separately, travel technology company Amadeus estimates that airline ancillary revenue will total \$32.5 billion worldwide in 2011. It projects that ancillary revenues for major U.S. airlines will increase to \$12.5 billion this year from \$6.7 billion last year. That is 38 percent of the global total and represents seven airlines: Alaska, American, Continental, Delta, Hawaiian and U.S. Airways. Amadeus partnered with Ideaworks, a consulting company, on the projections. Ideaworks believes the majority of ancillary revenue for U.S. major airlines comes from selling frequent flier miles. Baggage fees account for 20 percent. The rest comes from à la carte items such as selling food and beverages, WiFi, early boarding and other benefits. US-based airlines have readily adapted to an à la carte world, but they also benefit from consumers who are keen to get frequent flier miles. (Source: DOT, Amadeus press releases)

TSA Lists 29 Airports to Get New Imaging Machines

The Transportation Security Administration (TSA) has listed 29 airports that will receive recently-purchased millimeter wave Advanced Imaging Technology (AIT) machines. The machines will be deployed with new automated target recognition software designed to enhance privacy by eliminating passenger-specific images while improving throughput capabilities and streamlining the checkpoint screening process. Some of the airports receiving the units in the coming months include: Albany International (ALB); Austin-Bergstrom International (AUS); Bishop International (FNT); Daytona Beach International (DAB); Lansing Capital City (LAN); Manchester Boston Regional (MHT); Peoria International (PIA); Rochester International (RST); Stewart International (SWF). Additional airports will be named as more plans are finalized. Many factors are taken into consideration before AIT units are deployed, including airport readiness and checkpoint infrastructure. [Click here](#) for a complete list of airports on the TSA website. (Source: TSA press release)

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HOTELS

Hotel Revenues Expected to Go Up

Projections for U.S. hotels for the next several months are downright perky when compared to economic news overall. Committed occupancy is up 4.8 percent and average daily rates are up 4 percent. That's according to TravelClick's October 2011 North American Hospitality Review. TravelClick is a technology provider for hotels worldwide. Cities showing the most growth in occupancy this year are: Detroit, Charlotte, Houston, Seattle and Philadelphia. Those with declining occupancies are: Minneapolis-St. Paul, Denver, Dallas, Honolulu and Phoenix. Hotel demand for the first quarter of 2012 is up 15 percent. Markets showing strong first quarter growth are Indianapolis, Detroit and Chicago. (Source: TravelClick press release)

RAIL

Amtrak Adds Free WiFi to 12 More Trains

Amtrak has added free AmtrakConnect WiFi service to 12 East Coast trains. Trains that carry nearly 60 percent of all Amtrak passengers now have free WiFi. These routes include trains running between Virginia and Boston; New York, Albany and Buffalo and between New York, Philadelphia and Harrisburg. Other routes that now have free WiFi: New York-Charlotte; Boston-Portland; New York-Rutland, VT; the New Haven-Springfield shuttle and Washington-St. Albans, VT. WiFi is now also available on cars with hotspot window stickers on Adirondack, Maple Leaf, Palmetto and Pennsylvanian routes. WiFi was already available on Acela Express trains and on Cascades service in the Pacific Northwest. (Source: Amtrak press release).



Spotlight on: Business Travel Costs Inching Up

Business travel costs will inch up next year because of the demand for face-to-face business contacts and a shrinking supply of airline seats, hotel rooms and other travel products, according to the annual American Express Global Business Travel Forecast. Travel is essential to business, but companies are being more cost conscious than ever.

- *Airlines will continue to trim their fleets, so airfares will probably increase in the low to middle digits.*
- *Business class airfares will probably increase the most.*
- *Hotels should be able to hang on to the single-digit gains they made this year for business travel rates.*
- *Mid- to upper-scale hotel rates will probably increase slightly in North America.*
- *There will be regional differences, as businesses seek to capitalize on business opportunities in emerging markets such as Latin America and Asia.*

The travel industry is trying to regain pre-recession pricing and profitability in the face of economic anxiety, says Christa Degnan Manning, director of Expert Insights Research for American Express Global Business Travel. (Source: American Express press release)

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

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