



AAA Corporate Travel Newsletter July 30, 2009

CVG no longer #1, and it's a good thing

Tri-State travelers will be happy that one top spot no longer belongs to the Cincinnati/Northern Kentucky International Airport.

The new honor of "most expensive airport" now belongs to the one in Huntsville, Alabama.

The Alabama airport's domestic fares average \$505 per round trip.

Federal statistics indicate domestic fares at CVG averaged \$446 per round trip in the first quarter of the year. That's down from last year's average of \$554.

Until now, CVG has led the country in highest fares for two straight years.

WCPO.com, July 30, 2009

Delta frequent-flier enhancements include rollover miles

Delta Air Lines Inc. is taking a page from the cell phone industry and will be allowing elite frequent fliers to roll over miles earned above their qualification status in a given year so they have an easier time maintaining that status or improving to a higher one the next year.

The world's biggest airline operator planned to announce Tuesday enhancements to its SkyMiles Medallion program that will go into effect over the next nine months.

The changes come at a time of weak demand in the airline industry amid the recession. Business travel, in particular, has been in a slump, and giving extra advantages to elite frequent fliers could be one way to lure in more business travelers.

Atlanta-based Delta has three elite frequent flier statuses—silver, gold and platinum—and will be adding a fourth, diamond. Customers reach those levels by flying a lot—you reach the lowest level after flying 30 segments in a year—and in return they get extra benefits like priority boarding, waived checked bag fees and free upgrades.

Now, Delta says it will allow customers to retain any Medallion qualification miles earned above a Medallion threshold at the end of the year, supplementing the ability to earn status the following year. For example, should a member accrue 40,000 Medallion qualification miles in one calendar year, the 15,000 Medallion qualification miles that exceed the 25,000 threshold for silver status will be rolled over to the following year. Delta said there is no limit to the number of miles rolled over, and the benefit takes effect immediately.

The rollover idea is similar to one offered for several years to some AT&T cell phone customers, who can roll over unused minutes in certain plans to the following month.

Among other changes coming from Delta:

—The new diamond level for flyers who earn 125,000 MQMs or fly 140 segments per calendar year will include a complimentary Delta Sky Club membership, among other benefits.

_Diamond, platinum and gold Medallion members will have ticketing fees waived for all bookings, whether completed by phone, online or in person.

USAToday.com, July 28, 2009

American Airlines hikes checked-bag fee by \$5

It's going to cost you more to check bags on an American Airlines flight. American said Friday that checking the first bag will cost \$20, up from \$15, and a second bag will cost \$30, up from \$25.

The change takes effect on tickets bought after Aug. 13 for travel within the United States, Puerto Rico and the U.S. Virgin Islands on American and its regional affiliate, American Eagle.

Elite members of American's frequent-flier program continue to be exempt from the bag fees, as are passengers in business- and first-class and those who paid full fare for coach seats. There are no bag fees for international itineraries except Canada.

United, Delta, Continental and US Airways recently announced \$5 increases in checked bag fees paid at the airport, to \$20 for the first and \$30 for the second.

Those other carriers left the fees at \$15 and \$25 for people who pay the charges online, but American doesn't offer the online option.

Fees on checking baggage and other services can run into the hundreds of millions of dollars a year at major airlines, which are struggling with falling revenue due to a slump in traffic. Last week, American parent AMR Corp. reported a \$390 million loss for the second quarter.

USAToday.com, July 27, 2009

Border Agency strike threatens airports

Immigration officers at Heathrow and other UK airports are poised to strike as early as next week, threatening lengthy waits for arriving passengers.

Members of the Public and Commercial Services union (PCS), which represents 1,100 immigration officers, recorded a 78% vote for a strike in a ballot announced yesterday.

Union officials will meet today to decide what action to take amid growing anger at a planned merger of customs and immigration services into a single UK Border Agency.

They argue that the merger will force immigration staff to undertake duties they have not signed up for- including strip searching and arresting people.

Talks with management continue, but it is increasingly likely August 5 the date of the formal merger- will mark the start of a series of one- or two-day strikes that threaten to escalate as 4,000 members of the Immigration Service Union (ISU) move to a ballot of their own.

The government has touted the change as toughening UK border controls. But unions say the merger will compromise security and object to it being imposed.

ISU national chairman John Tincey reported an online poll of members showed 77% supported a walk out, in a union that has never previously gone on strike.

Tincey told *Travel Weekly*: "Customs officers target flights. Immigration officers see every passenger. If you miss someone, you can be sacked. They are completely different jobs."

He added: "Negotiations have got nowhere."

Lengthening queues at UK airport immigration have become a running sore, repeatedly criticized by airlines and travel firms.

Tincey confirmed the number of immigration officers has fallen due to central budget constraints. A PCS

spokesman warned that, in the event of a strike: "There is potential for long delays at ports of entry." However, a spokeswoman for the UK Border Agency said: "Industrial action will have very little effect and border controls will be maintained. Contingency staffing plans will ensure business as usual."

TravelWeekly.co.uk, July 29, 2009

British Airways ends free meals on short flights, blames recession

British Airways is scrapping all free meals except breakfast on its short-haul flights as the airline continues to trim costs amid a recession-driven downturn in demand for travel.

BA said Wednesday that the decision to cut meals on flights lasting less than two hours would save the airline around 22 million pounds (\$36 million) each year.

The measure, to be introduced on Monday, adds to cost-saving plans by the carrier that also include proposed large-scale job losses and pay cuts.

Passengers on short-haul flights currently usually receive a sandwich. That will be replaced by a bag of nuts or other snack, alongside drinks.

The move brings BA closer to low-cost carriers like Ryanair Holdings PLC and easyJet PLC, which charge passengers to buy food on board.

But BA stressed it remains a full-service airline, saying breakfast would continue to be served on flights before 10am.

The airline said it had conducted research before making the change, finding that passengers did not require substantial refreshment on flights under two-and-a-half hours.

"When you fly with British Airways, the in-flight catering is top-class and, unlike some other airlines, it is free," it said. "It is not unusual to make small changes to avoid waste and save money where it makes sense and it meets customers' changing tastes."

USAToday.com, July 29, 2009