

UK OFFICE

October 2014

Prepared by: Venessa Alexander

UK Director

Meetings/Training/Events

BVK – Meeting with Mary DeLong to talk through creative for the February ad campaign

Miles Media – Meeting with Miles Media to discuss the landing page which will be the call to action on the February ad campaign

Flightcentre - Attended Flight Centre's annual partner appreciation event on 30th October at The Gable bar in Moorgate, London.

Jetline Cruise – Training and sponsored lunch was conducted at the Jetline Cruise office in High Barnet in mid-October. Three sessions were conducted for 8 staff and was very well received by attendees. The original request was received from Sarah Ineson, the Shop Supervisor, who joined us on the British Airways FAM trip in early September.

Dolphin Tale 2 – Hosted a Dolphin Tale 2 viewing for our key partners and their children the day the movie was released in the UK in early October. The event took place at Cineworld complex at London's O2 Arena in Greenwich and a total of 5 adults and 6 children attended the event.

SeaWorld Parks & Entertainment – Attended the SeaWorld Parks & Entertainment launch event at the Queen Elizabeth Park (London's Olympic Stadium). The event was held to launch the new ride at Busch Gardens Tampa Bay, Falcon's Fury.

TRADE LIAISON

- Attended and presented at October TDC a recap and highlights of the 2013/14 fiscal year. Conducted a number of site visits of local area accommodations. Shot an area video to be used in sales presentations.
- February Ad campaign - Finalised barter agreement and confirmed Virgin Holidays as the call to action on the February ad campaign. Signed off the VO scripts for the :30 and :15 ads and provided input on the type of voiceover required for the ad. Liaised with Virgin Holidays re their assets and requirements for the campaign and clarified the digital campaign with Media Agency Group.
- Requested up to date room night stats from top 12 tour operators
- Florida's Beaches - Confirmed registration at Reiselivmessen in Oslo and Ferie in Herning on behalf of Florida's Beaches. Liaised with partner CVBs re staffing, hotel and travel requirements.
- World Travel Market – Work was finalised on World Travel Market appointments with our Tour Operator and Airline partners.

- Scandinavian Sales Mission – Finalised hotel and flight reservations and continued liaison with Discover America, Helsinki regarding sales calls and evening training events.
- Flight Centre – Provide access to hi-res images of our region for Flight Centre as they prepare their new website geared to premium leisure customers.
- Visit Orlando – Further progress has been made with Visit Orlando to finalise our 2-day training & sales call trip to Ireland in November. Training sessions have been confirmed with American Holidays in both Dublin and Belfast as well as an evening training event with Virgin Holidays at Fratelli Restaurant in Belfast. The visit will also include attendance at the next Visit USA Association Members Meeting in Dublin on 19th November followed by a joint hosted lunch event where some 17 tour operators and Irish travel trade press have been invited to attend.
- Discover America Stockholm – Preliminary plans have been made to attend this workshop evening event on 13th January at the Radisson Blu Hotel in Stockholm, that will be attended by up to 130 trade professionals.
- Florida's Beaches – Discussions with Fort Myers, Miami and Fort Lauderdale have been taking place regarding the design and order of the new Florida's Beaches carrier bags that will be utilised at 2015 events in Scandinavia.
- Visit USA Ireland & Discover America Denmark – Submitted a release on Dolphin Tale 2.
- Premier Holidays – We have now received the results from the Premier Holidays Campaign that took place from June – July 2014. The destination campaign promoting our area saw us partnering with SeaWorld Parks & Entertainment and included both trade and consumer activity. Premier Holidays saw a noticeable increase in demand for the St. Pete/Clearwater area since the campaign and the direct mail piece also created a great impact. The US mail piece was one of the first that Premier Holidays had done for a while and so we were very pleased that this actually generated enquiries. As always, the trade campaign was well received and the sales managers were inundated with requests for the poster. In addition, the timing worked out very well as several of their key accounts were holding USA promotional days and were able to utilise our material and promote St Pete/Clearwater to their clients so it helped raise the profile there too. In terms of passengers booked, Premier Holidays booked 189 passengers during the campaign and YTD they have booked 1439.
- American Holidays Ireland – We have been advised that American Holidays have given us extra exposure during our joint campaign with Visit Tampa including increasing the size of one of our ads in the Irish Sunday World Travel supplement as well as adding in more copy on the editorial piece they have done. The campaign has now finalised and results are due to follow shortly.
- TUI Specialist – We shall be attending the TUI Top Sellers dinner at the Hilton Hotel Gatwick Airport in November as part of our 2014 agreed activity.

- Brand USA – Provided Brand USA with one key event in our area (Firestone Grand Prix of St. Petersburg) to include in their 2015 events listing calendar.
- My America Holiday – Provided Rooster with the PR representative’s details at My America Holiday to add to their PR Mailing List.

ENQUIRIES:

Telephone/website enquiries for information and/or literature

51

MARKET INTELLIGENCE:

15 October 2014 – Source Travel Weekly

Travel 2 and Gold Medal futures assured as Stella deal completes

Dnata Travel has confirmed it will be keeping both the Gold Medal and Travel 2 brands, following completion of its acquisition of Stella Travel Services. Speaking in London as the final agreement for the buyout was completed, dnata Travel’s divisional senior vice president Iain Andrew told Travel Weekly that he saw value in both, despite the view they offer something very similar. The deal, for an undisclosed sum, for Travel 2 parent Stella Travel Services was finally sealed last night after it had been granted regulatory approval by the European Commission last week.

Andrew said: “I would say that Travel 2 and Gold Medal are doing very different things and so it’s about making sure we do the best that we can with both. “Clearly people like Travel 2 for a number of reasons and people like Gold Medal for a number of reasons, so putting them together makes no sense. “There’s a great setup in both Glasgow and in Preston – and great people working in both locations. It would be a massive project to look at how we would restructure that and so it’s much better to grow them both than to merge one into another.”

He added: “We certainly won’t be competing against each other. We want to grow both businesses and if that means that we’re going to be more aggressive with the competition, then so be it.” Andrew continued: “Everything is going to stay as it is. It’s very much business as usual particularly through the peaks. I’ve spent time with the team in Preston and in Glasgow and see a lot of value in both locations and the people working in each one. We don’t see any change to that at all.” He said he would look for some synergies, but “easy ones”, like procurement and contracting, whether that be of hotels or airlines. And he added that some things were better done by one company than another, so expertise in certain areas would be shared to improve elements of both Gold Medal and Travel 2. “The paperwork may be better at one for example, and the product in Asia may be better with another, so we’ll give both brands the full breadth of product and full processes benefits, but both brands will remain. “It’s a B2B business and most customers know we own both and are fine with that. It would be more difficult if it were B2C.” Andrew said he was also keen to grow Travelbag, but stressed that would be via a “handful” of outlets rather than hundreds. And he added: “I’m looking more at how Travelbag can help me and my 200 agencies in the Middle East. Most of our customers are going long-haul and we don’t have good retailers in the group so I will be getting Tony’s team to help us.” Andrew said he was also looking at product expansion wherever the group had a gap, and identified cruise as an area dnata was still keen to add to its portfolio. Outside that, he said the group had to be careful about how much it acquires in the UK. “There are a load of good assets in the UK but we have to be realistic

about how much we can do in the UK and are therefore looking at Russia, Germany, South America and Asia but it's more difficult."

16 October 2014 – Source Travel Weekly

Number of traditional agencies halved in past decade

The number of traditional travel agents has almost halved in ten years as the rise of online shopping takes its toll on the high street, according to a new report. The number of tattoo parlours, convenience stores and health clubs has soared at the same time as the internet has forced a change for the high street's shop fronts. Travel agencies and entertainment stores are among those showing a decline, replaced up by online retailers such as Amazon and price comparison websites. Their empty premises have been replaced by shops that provide the kind of service a mouse click cannot deliver, says the report by Experian which has tracked the changes in 2,000 key retail locations around the UK. Richard Jenkins, a senior consultant at Experian, said the figures showed how the internet has had a dramatic effect on the make-up of the British high street in the past decade. "The high street has clearly become a more social environment, with more restaurants, cafés and leisure facilities emerging up and down the country," said told The Times. The changes suggest that "time-pressured consumers are increasingly expecting the high street to play a different role, providing services that can exist as a complementary offering alongside internet shopping," he added. The number of takeaways has risen by 54% with fish and chip shops seeing an 84% rise. There are now more than twice as many health clubs as there were in 2003 and the number of tattoo parlours has surged by 173%. The area of greatest growth is convenience stores, such as Tesco Express and Sainsbury's Local, as the total number of outlets rose by 186%. The findings were backed up by a separate report by PwC and the Local Data Company, which found that 3,003 shops shut during the first half of 2014, equivalent to 16 closures daily. Although the closure rate was not as bad as last year's level of 18 daily closures, the number of new shops opening has slumped from 3,157 to 2,597, which meant a "net" loss of 406 shops over the six months to June, compared with 371 for all of 2013. Mike Jervis, a retail specialist at PwC, described the findings as "depressing" for town centres. He told The Times: "At this point in the economic cycle, maybe you'd expect to see more optimism in openings, but you're not. It's clear that the high street is still suffering as people migrate online or to out-of-town shopping centres."

16 October 2014 – Source Travel Weekly

Virgin Atlantic receives first Dreamliner

Virgin Atlantic's first Boeing 787-9 Dreamliner is being prepared to enter transatlantic service after being delivered to the airline today. The carrier is the first in Europe to take delivery of the 787-9 and plans to operate the aircraft initially on its Heathrow-Boston route. The stretched version of the Dreamliner touched down at Gatwick today following a 4,000 nautical mile flight from the manufacturer's base in Washington State. The aircraft is the first of 16 Dreamliners Virgin has ordered from Boeing. With the fuselage stretched by 20ft over the 787-8, the 787-9 will fly up to 40 more passengers an additional 450 nautical miles with 20% less fuel consumption and 20% fewer emissions than the aircraft they replace. Boeing Commercial Airplanes European sales vice-president Todd Nelp said: "The first 787-9 in Europe will be a flagship for Virgin Atlantic's fleet, providing greatly improved efficiencies across its routes. "The airplane, with its unique onboard features, will provide an unrivalled passenger experience, cementing Virgin Atlantic's reputation as a true innovator in air travel."

17 October 2014 – Source Travel Weekly

Thomas Cook's Harriet Green to sit on Chambers of Commerce advisory council

Thomas Cook Group chief executive Harriet Green has been selected by the British Chambers of Commerce to sit on its newly-formed International Advisory Council. The council – which is expected to meet twice a year – also includes International Airlines Group chief executive Willie Walsh, Rolls Royce chairman Ian Davis and Ernst & Young UK and Ireland chairman and managing partner Steve Varley. They advise the BCC on international trade issues, with a focus on the export potential for the UK business community. The council is chaired by former trade and investment minister Lord Green. The Thomas Cook boss said: “It is essential that all political parties are aware of the issues that affect our sector where international trade is concerned. “While remaining fully committed to the ongoing transformation of our business, I look forward to representing not only our great company, but also the travel industry as a whole by taking this opportunity to make our voice heard at the very highest level.” The appointment complements Green’s position on the prime minister’s Business Advisory Group.

20 October 2014 – Source Travel Weekly

No switch to Gatwick if second runway approved, warns Delta

Global airlines will continue to fight for space at Heathrow even if Gatwick is selected for expansion, Delta Air Lines warns. Perry Cantarutti, the Delta executive who oversees the airline’s joint business with Virgin Atlantic, said the carrier would not shift its services from Heathrow if Gatwick won the fight for expansion. Any solution to Britain’s looming aviation capacity crunch must involve some expansion at Heathrow because the business travel market surrounding the west London hub is too valuable to surrender. “The solution for London has to involve some capacity at Heathrow,” he told the Telegraph. “Business travellers opt for Heathrow.” Cantarutti also ended any speculation that Delta would eventually scrap the Virgin Atlantic brand after last year paying \$360 million for 49% of Sir Richard Branson’s airline

<http://www.travelweekly.co.uk/Articles/2013/06/21/44462/regulators+thumbs+up+for+delt+a+virgin+deal.html> .

He said Delta is preparing to swap some of its existing routes to the Virgin brand, such as Manchester to Atlanta, because travellers prefer to fly with a native airline. Tickets on routes to the US from Manchester are predominantly sold in the UK. “There is a tendency for passengers to gravitate towards carriers of their nationality,” he said. “There should be no question over whether the Virgin brand survives.” The Airports Commission is poised will to publish an appraisal of three possible expansion options - two at Heathrow and one at Gatwick - which will then be put out to public consultation. Delta’s stake in Virgin is currently under investigation by the European Commission as part of a wider inquiry into whether foreign carriers with minority stakes in European airlines are effectively controlling them in contravention of EU ownership rules. Cantarutti said Delta provided the EC with information in the summer and that the airline has “no reason to believe” its joint business with Virgin will be found at fault.

24 October 2014 – Source Travel Weekly

Barrhead Travel among UK's fastest growing private companies

Barrhead Travel has been placed in the top ten of the UK’s fastest growing private companies. The Real Business Hot 100 is compiled by data supplied by research company Jordans, measured by a three-year average annual growth in profitable sales turnover. The companies featured are described as “leading the charge to economic prosperity”. Scotland-based Barrhead Travel is ranked in eighth position in the list as the fastest growing travel

agency in the UK. Its latest turnover amounted to £54.4million with a three-year compound growth rate of more than 76% and latest earnings of £1.8 million. The company employs 850 staff across 56 outlets, runs a stable of 13 websites and books more than 300,000 people on holiday a year.

24 October 2014 – Source Travel Weekly

Monarch ties up rescue deal

Monarch Group has secured £125 million of capital following its sale to Greybull Capital which was confirmed shortly before 9pm tonight. The announcement stated the deal was anchored by a £50 million capital commitment, with contributions from the Group's prior shareholders, principally the Mantegazza family. Greybull also acquired 90% ownership interest in Monarch, with the remaining 10% passing to the Group's defined pension scheme and ultimately the Pension Protection Fund. The Civil Aviation Authority has renewed the Group's Atol licence which had been due to expire at midnight on October 24. The confirmation said "Greybull will provide significant capital to Monarch in order to grow the Group and build on its long-established heritage and trusted brand name". Monarch has undertaken a comprehensive strategic review of all areas of the business, from operations to ownership and financing. year."

24 October 2014 – Source Travolution

Google Barometer offers insight into consumer buying behaviour in travel

Google launched the 2014 version of its free consumer barometer <<http://www.consumerbarometer.com/en/>> , offering insight into the behaviour of users around the globe in various verticals including flights and hotels. The Consumer Barometer 2014 also offers data on device ownership and usage in various markets, customer research behaviour and the influence of video. Key UK insights include: Only a fifth of leisure flight bookers and a third of hotel leisure bookers became aware of the product or offer online. Yet 84% purchased flights online, 79% purchased hotel rooms, 85% researched flights online, and 81% researched hotels.

- For flights, the highest proportion of users (31%) said they considered two brands before making the purchase decision, whereas for hotels people tended to consider more brands with 22% saying three and 15% five or more.

- Internet users in the UK are the most likely in Europe to have only researched their last purchase online - 28% did so on average across 10 product categories, compared with 18% across Europe.

- Smartphones are now a significant way for people in the UK to research products online - particularly for the younger generations. Some 38% of under 24s researching purchases online in the UK used smartphones, compared to an average of 21% across all age groups.

- Half of people consult brand websites when researching online and 35% use retailer websites for flights and 28% for hotels. Social media sites perform poorly (3% flight, 5% hotels) while advice and review sites are outperformed by price comparison sites.

- Offline research behaviour shows word of mouth dominant, with family, friends and others consulted by a quarter of people for flights and hotels. In-store research came next ahead of media like television and radio, print and billboards.

Now in its fourth year, the barometer offers digital marketers in-depth insights for 46 countries. Other verticals profiled include: clothing and footwear, home appliances, cosmetics and groceries. Google said new sectors will be added in the future. Peter Cory, agency sales director at Google, said: "People now use digital media for a huge array of purposes but it isn't always easy to tell what channels and activities are the most effective,

particularly if you're dealing with multiple markets and products. "Our latest Consumer Barometer captures a vast array of new consumer research and enables anyone to easily explore how consumers are behaving in this brave new digital world." Chris Binns, managing partner and joint head of planning at agency Mediacom, said: "Being able to unpick the relationship between consumers' online and offline behaviour and compare insights across different countries and categories is becoming increasingly important to planners. "The new Google Consumer Barometer offers vast sample sizes and complete data sets for a huge range of markets - a level of detail I've never seen before. The fact this is all available for free in a simple-to-use format means it will certainly play a valuable role in Mediacom's planning going forward."

27 October 2014 – Source Travel Weekly

Equistone acquires stake in Travel Counsellors

Travel Counsellors has announced that private equity firm Equistone has taken a stake in the independent company. Refusing to comment on speculation, a spokeswoman for Travel Counsellors would not reveal how much of the business had been sold to Equistone or who now held the majority stake. The existing management team including managing director Steve Byrne, who has been with the firm for ten years, will remain in place and David Speakman will remain in his role as chairman. Byrne said: "We will use the investment and partnership with Equistone to take the company to yet another level and accelerate our growth, enabling us to capitalise on the many opportunities we have to expand the business further in both leisure and corporate sectors. "This expansion will further bolster our global buying power and strengthen our position as the market leading travel company for personal service, to the benefit of our agents globally." As part of the deal, Equistone partners Steve O'Hare and Joyce Church will join the board of the company as non-executive directors. He said: "Travel Counsellors has shown impressive long-term year-on-year growth under the current management team. "The additional funding will be used to develop its support to its agents and market leading software, which is crucial to ensure high levels of service to its growing customer base. We look forward to working with the team and are excited about their plans to expand the business in new and existing territories." The company has achieved 60% growth over the past five years with forecast global sales for the financial year end of £424 million. Speakman revealed it had always been his plan to ensure the "long term interests" of the company. He said: "It has always been my intention to ensure the long term interests of the company and this latest move enables us to realise the next exciting phase of its growth, making Travel Counsellors even stronger for the benefit of each individual agent. "We have partnered with Equistone as they buy into our proven business model globally, and our culture and ethos, first and foremost of putting the customer first and having superb, special people as Travel Counsellors and support staff who are committed to doing that. As such we can offer those who want to enjoy the rewards and benefits of running their own travel business an extremely promising future."

28 October 2014 – Source Travel Weekly

Newcastle airport to gain first transatlantic service

Newcastle airport is to gain its first scheduled non-stop transatlantic service next year. United Airlines is to serve its hub at Newark with a summer-only service operating five days a week. The flights will run between May 23 and September 7, subject to government approval. The carrier is to deploy a 169-seat Boeing 757 on the route. Flight times will be 7 hours 50 minutes westbound and 7 hours 10 minutes eastbound. United's UK and Ireland sales managing director, Bob Schumacher, said: "We're very excited about introducing non-stop flights to New York from Newcastle next summer. "We'll be offering the people of northeast

England easy, convenient travel options not only to New York City but also to destinations throughout the Americas. “United already offers a transatlantic service from more cities in the UK than any other airline and we’ve every reason to be confident that this new service will be a success.” Newcastle airport chief executive, David, Laws said: “For many years, and everywhere I go, people have been stopping me and asking, when is the northeast going to get a New York service? “I have been clear throughout that this is a route that we have been determined to deliver for the region. We have been carefully and quietly working behind the scenes, with our shareholders, to secure what will be another game-changing new route. “United Airlines is the best airline to operate this service. They have an exceptional track record of linking UK regions to their New York/Newark hub, where customers can then connect to over 100 onward destinations.”

28 October 2014 – Source Travelbiz.ie

Aer Lingus launch new Business Class to USA

Aer Lingus has announced details of the new business class experience to be launched on transatlantic flights from March 2015. “Our long haul business has grown at a record pace over the past two years. We continually strive to improve our customers’ Aer Lingus experience offering greater convenience and product enhancements. We have increased the number of destinations to which we fly. We have introduced high speed Wi-Fi on our services to the U.S. We clear U.S. customs in Ireland. Now we are delighted to upgrade our entire business class experience offering our customers an excellent environment to work, relax, dine and sleep. We want to thank all of our business class customers for their continued support for our service”, said Christoph Mueller (Aer Lingus Chief Executive).

The Business Class service will provide a unique space based on a customer’s needs, depending on whether they wish to sleep, work, dine or simply relax. This will be facilitated by the new custom designed Vantage seat which converts into a full-lie-flat bed.

29 October 2014 – Source Travel Weekly

Put 'grotesque' APD out of its misery, demands Walsh

International Airlines Group chief executive Willie Walsh today described Air Passenger Duty as “grotesque monster” which has spiralled out of control. Writing in The Times today on the eve of the 20th anniversary of the introduction of the air tax on Saturday, the boss of British Airways parent company said the debate over extra taxation powers for Scotland is creating an opportunity “to remove this beast which has held back job creation and economic growth across the UK”. “It is no wonder that the Scottish National Party wants to cut APD on flights from Scotland by 50% as soon as possible as a preliminary to scrapping it completely,” Walsh said. “The tax is said to cost Scotland £200 million a year in lost tourism alone. And if you allowed that potential economic activity to happen, your increased take from VAT and other taxes would go a long way to covering the loss of APD revenue. In fact, research by PwC suggests that the Treasury would end up net beneficiaries. “So, what if Scotland goes it alone on APD? Well, the first thing that would happen is that Scottish airports would take traffic from northern England, as passengers scooted across the border to escape the punitive rates they would encounter at Newcastle, Manchester or any other English airport. “With a family of four now facing an APD bill of £276 for an economy flight to the United States, the incentive would be clear enough.” Walsh’s latest argument against APD came just hours after he reiterated calls for its abolition. He outlined the impact the tax in having on visitor numbers from Asia to the UK. The APD that tourists must pay on their homeward journey is a huge incentive for them to visit other European countries instead. “Our paucity of Chinese visitors is well known. Less so is the fact that visitor numbers from Japan have fallen 22% in the past 10 years when APD has risen from £20 to £81 for Japanese

visitors to fly home. Meanwhile visitor levels to other European countries have remained stable over the same period,” Walsh said. “The UK ranks seventh among European countries for Japanese visitors behind smaller countries such as Austria and Switzerland despite having the largest expat community in Europe. “According to VisitBritain, each Japanese visitor spends about £950 on a visit to the UK meaning that the drop in Japanese visitors over the last few years costs our economy £300 million every year. “That is the impact from one country. Multiply that across the world and you can see that the UK is missing out on billions of pounds of tourism spend.” He added: “The aviation industry has been asking the treasury to undertake an independent assessment of the economic impact of APD for many years, surprisingly this request has fallen on deaf ears. What is George Osborne afraid of? “The majority of European countries either levy no flight tax or have seen the sense in abolishing it. Only four others retain a similar tax but at nothing like APD’s stratospheric levels. “After 20 years, this tax has lost any shred of economic justification. Ask yourself this question: if the governments of Northern Ireland, Scotland and Wales want to reduce APD significantly or scrap it because it is harming their economies, why does the Conservative-led government want to retain this damaging tax in England? “There is only one sensible, reasonable option — to axe this tax across the UK and far from reducing the government’s spending power, all indications are that it will in fact increase it.”APD should be consigned to the annals of history along with other 1990s relics. It must be put out of its misery.”

29 October 2014 – Source Travel Weekly

British business urges backing for Heathrow expansion

Backing for the expansion of Heathrow has come from 23 Chambers of Commerce representing more than 40,000 businesses. The Chambers called on businesses across the UK to support Heathrow during the Airports Commission’s national consultation or risk the UK falling behind European hub airport rivals. They outlined their support for a third runway at Heathrow in an open letter to the commission. The airport has established an independent National Connectivity Task Force, charged with developing concrete policy proposals and recommendations for improving regional access at an expanded Heathrow. Members include representatives of national airports, Chambers of Commerce, Local Enterprise Partnerships, business people from around the UK and airlines. A final report from the task force is due before the end of the year and will inform on-going discussions with the Airports Commission on airport capacity expansion in the south-east. The letter from the Chambers said: “A successful aviation industry is vital for UK economic growth. We all support our local airports and want them to grow their route network and flourish. “But Heathrow provides the UK with something different. Heathrow is our hub airport, and one of only six airports worldwide with more than 50 long haul routes. “We need it to expand to continue to put on the flights that drive tourism, inward investment and connect our businesses to key markets in places like China, India, Brazil. “The Airports Commission process is the UK’s last chance to expand our hub airport. Our European rivals will be watching with interest to see if the UK wants to remain a country with major global links, or if we are happy to export that advantage, and the jobs and growth with it, to Paris, Frankfurt and Amsterdam. “As Chambers of Commerce across the UK we are also following this debate closely. The expansion of the UK’s only hub airport, Heathrow, will benefit my region and I will be making my voice heard in the Airports Commission national consultation.” Heathrow chief executive, John Holland-Kaye, said: “More and more people across the UK are recognising the critical role Heathrow plays in the success of the British economy. “Business is telling the commission that Heathrow is geographically in the best location, is the only airport that can deliver flights to the world’s growth markets and the only option that has exports front and centre of its expansion plans. “With over 25% of all British exports going through Heathrow,

compared to only 4% at Gatwick, businesses up and down the country are making it clear that Heathrow is the only option that can help Britain with the race for growth.”

29 October 2014 – Source Travel Weekly

Tui merger gets go-ahead from shareholders

Shareholders in Tui Travel and its German parent Tui AG have voted to approve the proposed merger of the two companies. The recommended all-share merger of the two companies was voted on at two meetings yesterday. The court meeting of independent directors of Tui Travel and the general meeting of Tui Travel shareholders both passed the resolutions by the required majority of 75%. Shareholders at Tui AG’s extraordinary general meeting in Hanover representing 99.85% of Tui shares voted in favour of the merger, when at least 75% was needed for the deal to go ahead. The tie-up is expected to result in €170 million of cost savings and tax benefits and will streamline a holding structure that includes headquarters in both the UK and Germany and two separate stock market listings. It is now expected the final court hearing to sanction the merger will be held on December 10, and it will then come into effect on December 11. Tui Travel chief executive Peter Long said: "Having announced the recommended merger in September, I have taken the opportunity to meet with a significant number of our independent shareholders to discuss the strategic rationale for the transaction." I believe that we have been able to demonstrate to our shareholders that the merger is principally about sustainable, profitable growth and future-proofing our business. "Today’s result is testament to the fact that the overwhelming majority of our shareholders believe this merger will successfully continue to deliver value for them." Sir Michael Hodgkinson, deputy chairman and senior independent director of Tui Travel, said: "We believe that the rationale for this merger, creating the world's number one integrated leisure tourism business, is compelling. "We have secured more than the 75% of the votes required for both the Scheme of Arrangement at the Court Meeting and the Special Resolution at the General Meeting proving the considerable support amongst shareholders. "I and my fellow independent directors are delighted this step in the merger has been successfully completed." A merged Tui would employ 72,000 people. It would also see Tui Travel delisted from the FTSE 100 in December and re-entered under Tui AG.

30 October 2014 – Source Travel Weekly

Heathrow boss claims 30 airlines are waiting to open routes

As many as 30 airlines are queuing up to start new routes or increase frequency on existing services from Heathrow but the capacity-squeezed airport claims it is being forced to turn away their business. The airport’s chief executive, John Holland-Kaye, said the waiting list includes airlines from North America, South America and Asia. He pointed out that a quarter of British exports are flown abroad via Heathrow as he pressed the case for building a third runway at the airport. Holland-Kaye claimed rival Gatwick’s second runway proposals are “primarily about low-cost flights to Europe”, while expanding Heathrow is important for the future of the British economy. “There is massive demand for flights into Heathrow,” he told *The Telegraph*. “There are Chinese carriers that are queuing up to get here. Air China told me they could have four flights a day coming into Heathrow if there was only more capacity.” Holland-Kaye claimed airlines are instead launching routes from rival hub airports in France and Germany, rather than going to Gatwick. His comments came on the back of financial results for the nine months to September and as the Airports Commission prepares to launch a national consultation on aviation capacity early next month.

30 October 2014 – Source Travel Weekly

Hays Travel invests £3m to 'modernise' 60 Bath Travel stores

The Hays Group will invest £3 million revamping Bath Travel's 60 stores over the next three years as the chain looks to attract a younger client base. Fourteen of Bath Travel's agencies will be completely overhauled before Christmas and six more will have foreign exchange counters added. John Hays, managing director and owner of Bath Travel and Hays Travel, said the Bath stores were of a varying standard but he was keen to give them "the same look and feel as Hays Travel shops". Explaining why it was important to "breathe new life" into the Bath stores, Hays said: "I've been delighted with the performance of Bath Travel since we acquired it last year. The clientele is a bit older than Hays, but it is important we get younger clients. "We're already starting to attract that younger client base because we've introduced a [radio] jingle and taken on 40 apprentices, but [the refit] is the next step. "I believe our Hays Travel branches are the most attractive, smartest shops on the high street and we want Bath Travel to have the same look and feel. "It is a great brand; we don't want to take anything away from it. We're just keen to modernise the brand and breathe new life into it." The colour scheme of the Bath stores will change, with its red carpets and dark wood furniture replaced. Half of Bath's branches have foreign exchange counters, but 75% will have them by the end of the three-year refit. Hays Travel opened a store in Redcar, North Yorkshire, last week, and has identified 10 more towns for possible expansion. Hays is also still looking at further growth opportunities having taken a 40% stake in 14-branch miniple Just Go, which officially began operating under the Hays name on October 1.