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# THE compass

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## TRAVEL AND TRANSPORT

A 100% employee-owned company headquartered in Omaha, Nebraska, Travel and Transport was founded in 1946 and has become one of the nation's most experienced and well-respected travel management companies. Travel and Transport has innovative and responsive approaches to satisfying your unique needs. As the travel industry evolves, so do our services.

Travel and Transport's operating divisions include:

- Business Travel Management
- Travel and Transport - Global
- Travel and Transport Vacations
- Loyalty Innovations
- Meeting Trends

## DELTA BUYS NORTHWEST TO CREATE BIGGEST AIRLINE

Delta Air Lines bought Northwest Airlines, on October 29<sup>th</sup>, in a USD\$2.6 billion merger that created the world's biggest airline by passenger traffic, and prompted new speculation about further industry consolidation.

The all-stock transaction, the first domestic airline combination in three years, closed after clearing its biggest and last regulatory hurdle earlier that day – U.S. Justice Department antitrust review.

Government approval was expected. The industry vigorously made the case to regulators earlier this year, when airline finances were rockier than they are now, that consolidation was an important tool for remaining viable with fuel prices high and the economy worsening.

"The airline industry faces a very difficult economic environment around the world and this merger gives Delta increased flexibility to adapt to the economic challenges ahead," said Richard Anderson, the Delta chief executive who will head the combined entity.

The new, larger Delta will be an international powerhouse with unparalleled scheduling and pricing strength with service to 375 cities worldwide, experts said. The company estimates a combined USD\$2 billion in cost savings and revenue enhancements annually.

"There are global corporations but no global airlines. The race to become the first truly

global airline has an incredible reward to it," said consultant Darryl Jenkins.

Jenkins and other experts said the deal's potent may re-ignite merger fever, which burned this year until fuel prices started their dramatic rise this summer to record heights, and prompted sharp airline cost cutting.

Northwest's history dates to 1926 and its common stock first traded in 1941. But the company now operates as a wholly owned subsidiary of Delta until the two fully integrate their operations. That process is expected to take up to two years and cost up to USD\$600 million.

The new company will retain the Delta brand and be headquartered in Atlanta, where Delta is based. The new Delta begins operations with 75,000 employees.

The new Delta has said no front line employees will be involuntarily laid off as a result of the merger, and that no hubs will be closed. The old Delta's strength was in the South while Northwest operations are based in the northern cities of Minneapolis and Detroit.

For more information, please visit: <http://news.airwise.com/story/view/1225352937.m>

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## Our New Rules Travelers should Know for 2009

### Passports will be mandatory for all order crossings

On June 1, 2009, the U.S. government will implement the full requirements of the land and sea travel initiative (WHTI). U.S. citizens entering the United States at sea or land ports of entry must either have a passport, passport card or WHTI-compliant document.

### Airlines must quote a total price for European tickets

The European Parliament this year approved a new "transparency" rule mandating that airfares have to include all taxes, fees and charges added to the basic ticket price and shown at the time of publication.

### Visas go electronic

The Department of Homeland Security's new Electronic System for Travel Authorization (ESTA) will become mandatory on January 12, 2009. It's a fully-automated, electronic system for screening passengers before they begin travel to the United States under the Visa Waiver Program.

### Passengers may get a bill of rights

Last year, in response to increasing consumer frustration over flight delays, the State of New York enacted the New York State Passenger Bill of Rights. It provided cash air, waste removal and adequate food and water for passengers on flights delayed by more than three hours. Although the law was struck down by a federal appeals court this spring, that decision has been appealed, and it may become law in 2009 or later.

For more information, please visit:  
[www.cnn.com/2008/TRAVEL/traveltips/10/22/new.travel.rules/index.htm](http://www.cnn.com/2008/TRAVEL/traveltips/10/22/new.travel.rules/index.htm)

# TOP TEN TIPS REGARDING INTERNATIONAL PROTOCOL AWARENESS

Demonstrating an acute awareness of another's customs and traditions has a significant, positive impact on relationships in business and social settings. Making the effort to educate yourself in terms of acceptable and non-acceptable behavior shows total respect and helps forge the way for a successful meeting.

4. When sitting, do not show the soles of the shoe; keep soles facing the ground.
  5. Hands (forearms vs. elbows) belong on the boardroom and dining room table, not in your lap.
  6. In America, whoever follows the maitre d' in a restaurant is the person of honor. In Europe, however, the host will always precede the person of honor, to secure the restaurant for 'safety.'
  7. *Conservative* is the word governing business attire the world over, regardless of gender.
  8. Tipping and Gifting: Know who, what, how much, when and when not to tip and gift, and where. Be careful not to over-tip or, out-gift!
  9. When arranging a meeting with a person from a different country, meet level to level; sending a junior level executive to meet with a senior person is not appropriate.
  10. Expect to make several trips before you actually conduct business. The need to be evaluated and earn trust before conducting business is real.
1. Gestures: The OK sign, the "V" and certain hand and finger gestures all mean different things in various countries. Do be aware of various gestures and their significance from country to country.
  2. Eye Contact: Be aware that direct eye contact with individuals varies from country to country.
  3. Eating unfamiliar foods considered delicacies in various countries is important. Refusal can be highly insulting; eat it, but swallow quickly!

Finally, if you commit a faux pas, and everyone does, it is how you recover that is important. Your honest effort in doing so will be greatly appreciated, speaks volumes about you and goes a long way toward building trust to grow the relationship.



For more information, please visit:  
[www.protocolconsultants.com/](http://www.protocolconsultants.com/)

## TRAVEL AND TRANSPORT WELCOMES NEW PARTNERSHIPS

Travel and Transport is excited to have 16 new clients partner with us in 4th quarter of 2008. Headquarter locations of these accounts include Missouri, New York, Iowa, Massachusetts, Arizona, Idaho, Indiana and New Jersey. We are also pleased to have 7 partnership renewals in 4th quarter 2008. Headquarter locations of these accounts include New Hampshire, Nebraska, New Jersey, Virginia, Iowa, Massachusetts.



## DELTA BEGINS FLIGHT FIRING

Delta Air Lines has started Flight Firing, which is the practice of auditing reservations that are booked but unticketed, and canceling the unticketed reservations to protect seat inventory. Flight firing has already been in place on Delta's domestic flights, and has recently begun on international flights.

Delta states the changes come amidst customer feedback. Current conditions in the travel industry have put pressure on the availability of inventory system wide. Delta recognizes the importance of this issue, and is committed to addressing the situation.

The expanded flight firing procedures will provide the following benefits:

- Increase seat availability for customers booking close to the departure date.
- Improve operational performance at the boarding gate by reducing the number of no-show passengers.
- Maintain flight frequencies and customer options through improved revenue opportunity for each flight.
- Ensure a fair and consistent approach is applied across the diverse markets Delta serves.

For more information, please visit: [www.delta.com](http://www.delta.com)

## CLEAR LAUNCHES BOSTON LANES

In conjunction with Delta Air Lines, Clear launched its Registered Traveler program at Boston Logan International Airport, the 21st airport to host its expedited security screening lanes. Meanwhile, Clear has begun charging members \$199 for an annual membership, up from \$128.

The program promises a faster pass through airport security for members who submit to a background check and pay the annual charge. Verified Identity Pass' Clear launched at a cost of \$99.95, then in January upped annual memberships to \$128 to include a \$28 Transportation Security Administration vetting fee. Now, the annual cost to join is \$199, though a Clear spokesperson said existing members "get a break" at \$159 to renew. The company also plans to introduce a 10-year membership option for \$1,200.

For more information, please visit:

[http://www.btnmag.com/businesstravelnews/headlines/article\\_display.jsp?vnu\\_content\\_id=1003873797](http://www.btnmag.com/businesstravelnews/headlines/article_display.jsp?vnu_content_id=1003873797)

## WATCHING THE BOTTOM LINE

The employee-owners at Travel and Transport are dedicated to providing outstanding customer service while keeping our clients' costs in line.

Topaz International and Travel and Transport provide the following average ticket prices:

	Topaz International		Travel and Transport	
	Domestic	International	Domestic	International
1 <sup>st</sup> QTR 08	\$488	\$2,987	\$413	\$1,942
2 <sup>nd</sup> QTR 08	\$576	\$3,693	\$465	\$2,089
3 <sup>rd</sup> QTR 08	\$526	\$3,038	\$461	\$2,050

The information provided in this newsletter is the most accurate information supplied to Travel and Transport as of November 3, 2008.



### Chris Vasiliou Joins RADIUS as President and Chief Executive Officer

We are delighted to have Christopher Vasiliou on board as RADIUS' new president and chief executive officer. Before joining RADIUS on 14th July, Vasiliou was responsible for managing strategy, joint ventures, alliances and direct distribution for Sabre's Asia Pacific division based in Shanghai.

Prior to the Asia Pacific position, Vasiliou held various leadership positions at Sabre and Travelocity including chief operating officer at Travelocity, senior vice president of North and South America for Sabre Travel Network, as well as managing director of National Accounts and managing director of Sabre Europe.

Vasiliou started his career in the hotel and travel agency business before joining American Airlines/Sabre. Vasiliou also serves on the RADIUS board of directors.

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## OAG ANALYSIS SHOWS NEARLY HALF OF GLOBAL AIRLINE DECLINE IS WITHIN THE U.S.

The number of domestic flights will fall almost 11% and capacity will drop 9% in the 4<sup>th</sup> quarter of 2008 compared to a year ago, according to an analysis of flight scheduled by OAG (Official Airline Guide). The U.S. domestic market will account for 21.4 million of the cutbacks in available seats, or 46% of the global decline, and 59% of the global drop in frequency with 265,000 fewer flights.



“The scale of the decline in the U.S. market is worse than our previous schedule analysis showed,” said OAG Chief Operating Officer Steve Casley. “When you consider that the combined cuts from all the world’s airlines totals 451,000 flights, then it really puts America’s domestic capacity decline into perspective.”

Travel and Transport’s **eTTek Flight Monitor** can help clients withstand airline decline by delivering real-time and historical flight information that lowers travel-related costs and improves the travel experience. This new tool allows clients or Travel and Transport staff to easily monitor bookings for key events such as flight cancellations or departure delays. Clients and/or Travel and Transport staff are notified via e-mail when cancellation or departure delays are detected and a Web-based report will be provided to the client. The eTTek Flight Monitor service releases travelers from having to enroll on airline Web sites to obtain flight status notification since this product blankets all carriers.

For more information the OAG analysis, please visit: [www.askbte.com/redline.asp#6590](http://www.askbte.com/redline.asp#6590)

For more information on eTTek Flight Monitor, please contact your Travel and Transport account manager.

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