



IAAI Newsletter

June 2014, IInd Fortnight Issue

IAAI News

IAAI Delegation meets new Civil Aviation Minister



20th June 2014, Friday, New Delhi:

An IAAI Delegation, led by Mr. Biji Eapen, had a fruitful meeting with Shri. Ashok Gajapathi Raju Pusapati, Hon'ble Union Minister for Civil Aviation, Govt. of India.

Earlier, on 18th June (Thursday), a five-Member IAAI Delegation led by Mr. Biji Eapen, National President, had met the Secretary, Ministry of Civil Aviation, and the Director General of Civil Aviation, Govt. of India, and apprised them of the grievances of the Travel Agent Fraternity.

Memorandums were handed over with requests to intervene in the matter of the reinstatement of Travel Agency Commission as per IATA Res. 818g under the Aircraft Rules, 1937.

The Delegation has requested that appropriate orders be passed mandating 5 % commission and ticket stock of all Airlines to all Travel Agents similar to the one issued in favour of Cargo Agents on 29.08.2007 by the Secretary, Ministry of Civil Aviation.

The Delegation also made Presentations on "Proposals for the betterment of the Indian Tourism & Aviation Segments" and came out from the Meetings having been assured by the Authorities that necessary steps would be taken to redress the grievances based on the Memorandums and Proposals. The Presentation will be published in the next issue.

The other Members in the Delegation were - Mr. D.L. Jekannathan, General Secretary, Ms. Surinder Kumar, Director - NR, Mr. H.S. Chawla, Chairman - Govt. Affairs and Mr. Jagdeep Bhagat, President - Delhi State Committee.

Air India joins Star Alliance, Business boost expected

Air India has received approval to join Star Alliance, the world's largest partnership of airlines, & expected to increase the national carrier's annual revenue by up to 5% and more than double the airline club's market share in India to 30%. Teams at Air India, Star Alliance and its 26 member airlines will work to ensure that the integration takes effect from July 11.

Airline coalitions such as Star Alliance, Oneworld, and SkyTeam enable members to hook up each other with loads of passengers seeking connecting flights and pack their planes. Such alliances offer passengers — especially frequent fliers and business travellers — more destinations, easier connections, faster boarding, access to business lounges at more airports and scope to transfer frequent-flier miles among

member airlines.

Air India will add 400 daily flights and 35 new destinations in India to the Star Alliance network and passengers on the network will have more choice on routes connecting North America, Europe, Asia and Australia via the Indian sub-continent.



Star Alliance, formed in 1997, is a consortium of 26 airlines, including Lufthansa, Singapore Airlines, Air Canada and United, among other major global airlines. With Air India's entry, the Star Alliance network will offer more than 18,500 daily flights serving 1,316 destinations in 192 countries.

25% off on Schilthorn cableway routes for Jungfrau Pass holders

Tourists to Switzerland holding valid Jungfrau Railways Pass or Jungfrau VIP

Pass can travel with a 25 per cent discount on all Schilthorn cableway routes this summer. The Jungfrau Railways Pass entitles one to six consecutive days of unlimited travel on all transport facilities



within the Jungfrau Region, as per a release. The Jungfrau VIP Pass offers the same for three consecutive days.

Further, the official Schilthorn Explore App has been launched to offer travellers access to panoramic mountain vistas. Users of the App

need to hold their smart phones towards the view and touch the screen to access information on the surrounding mountains and scenery in word and image.

Star hotels find new ways to earn from services no longer in demand

Every evening at around 8, a van drives out of the JW Marriott in Chandigarh to collect laundry from mid-market hotels around the city. Back at the Marriott, the clothes are washed, ironed, packed and driven back to their owners by around midnight. It isn't an upmarket business for a five-star hotel such as the Marriott, but such synergies are helping it generate valuable revenue from an in-house service that most of its own guests do not use and the hotel can't do without.

Changing habits have drastically reduced the usage of many essential services in hotels, such as laundry, car rentals and telephones, and hotels are trying alternative business models to keep revenue from these services flowing.

Hotels are bundling free car services with room costs, reducing usage charges for hotel phones as well as leasing out parking spaces to malls and office complexes nearby. Besides, video conferencing facilities and dedicated internet bandwidth for high-profile meetings and conferences are also helping several five-star hotels like the Hyatt in Delhi generate revenue.



Until 10 years ago, five-star hotels were known to charge a premium of up to 400% on phone services. This is down to just 10%, with guests overwhelmingly preferring their own smart phones and dongles to remain connected. American hospitality major Carlson Rezidor Hotel Group, which runs the Radisson Blu hotels in India, is not only offering laundry services, some properties share space with malls and lease out as many as 150 parking spots a day, charging 250.

The Hyatt Regency in Mumbai offers its laundry services to smaller hotels. Revenue from outsourcing laundry can constitute 2% of a hotel's annual top-line revenue and smaller hotels are making use of the service, even getting free pickup and drop for the clothes. The service is offered to mid-market hotels at competitive rates and, hence, becomes attractive to those that do not have their own laundry.

Source : The Economic Times

Aviation Minister Asks States to Reduce Jet Fuel Tax

Civil Aviation Minister had asked states to cut jet fuel tax, which the country's struggling airlines say makes it difficult for them to stay profitable. Aviation Turbine Fuel (ATF) was "taxed on the higher side" and that states should "bring down" the tax. High taxes - many of them set by individual states rather than central government - low fares and a highly competitive market mean all but one of India's big airlines are losing cash. Fuel costs are among the highest in the region.

Air Costa to start flights to Madurai from Hyderabad, Chennai

Air Costa announced that Madurai has been added as its latest destination, effective from July 3. The temple city in Tamil Nadu will be connected from Chennai and Hyderabad.

The start-up airline also announced daily flights connecting Vijayawada to Chennai via Hyderabad, starting from



July 4. Air Costa will continue expanding and strengthening its network connecting more

Tier II cities on a regular basis. With these new destinations and routes, Air Costa will be operating 34 daily

flights connecting nine cities in India.

All-Business Class Transatlantic Airline La Compagnie to be launched next month

An all-Business Class transatlantic airline, La Compagnie will be launched next month, which will start offering up to five flights a week between New York and Paris. It will fly an adapted Boeing 757-200 in a single-aisle configuration with 74 flat-bed seats. A second Boeing jet is expected for delivery by the end of the year. The flights will leave Paris Charles de Gaulle at 1750 hrs and arrive at Newark Airport at 2030 hrs. Return flights will depart at 2145 hrs.



Fares will start at around USD 1,600 up to USD 4,600 for a seat with enhanced premium services. The carrier said it will offer best-in-class in-flight amenities, including free in-flight Wi-Fi, with complimentary use of Samsung tablets, in-flight amenity kits, and menus designed by French Michelin-starred chef, Christophe Langree.

- **Changi Airport Group, Singapore is set to reduce the operational charges for airlines from July 1, 2014. A recent directive from the airport says that all airlines operating from Changi Airport are to get an 'across-the-board reduction' in operating charges. From July 1 airlines have to pay 50 per cent less on aircraft parking fees, and 15 per cent less on aerobridge charges for the next 12 months. In addition, the airport operator would introduce a new package of incentives, which would reward airlines for growing transfer traffic at the Changi Airport.**

Bangalore Airport to offer sops to new airlines that declare it as home base

Bangalore airport has decided to offer sops to new airlines. Bangalore International Airport Ltd., which runs the airport, has crafted a new definition for what will be called a home carrier for the airport and got it cleared by the Airports Economic Regulatory Authority (AERA) on June 10, 2014.

The airport has defined home carriers as those that declare Bengaluru as their home base and station half their fleet in the city. The airlines will have to be headquartered in the city, have the highest number of base aircraft (planes parked in the night) at the Bangalore airport and have at least one million additional passengers annually.

The new move is being seen as a way of benefiting budget airline, AirAsia India Pvt. Ltd., which launched operations this month with a flight to Goa from Bengaluru. Given that AirAsia

India has stationed its first aircraft, an Airbus A320, at Bangalore airport and may do so with the next aircraft too and possibly shift its operations to the city from Chennai, it may meet the requirements specified by the airport operator. A home carrier will get a 50 per cent discount on landing and housing charges and fees will be waived for night parking.



- **Qatar Airways recently launched flights to Miami, Florida in USA. This is the sixth US destination and the 142nd worldwide from the airline's central hub in Doha. With this new route, Qatar Airways is the first airline to offer non-stop service between the Middle East and Miami. Qatar Airways' Doha-Miami route is being operated with a Boeing 777-200 in a two-class configuration of 42 seats in Business and 217 seats in Economy classes.**

Prime Minister to inaugurate Udhampur-Katra rail link this month

The Railway authorities have successfully carried out a trial run on the newly-constructed railway line between Udhampur and Katra that connects the Kashmir Valley. The trial run was conducted using a departmental and materials train, which is helping in placing concrete on the track. The train will have 15 wagons. Very soon, people will be able to board the train. Prime Minister of India, is to inaugurate the railway line later this month.



Once operational, the 25-km stretch between Udhampur and Katra would provide direct connectivity to Katra and benefit Vaishno Devi pilgrims. Katra railway station will be "world class" with all basic facilities including ticket counters, yatra parchi counter, air-conditioned waiting rooms, restaurants, shopping complex, the Indian Railway Catering & Tourism Corporation Ltd (IRCTC) guest house and elevators.

MTDC to organise B2B roadshow in New York in Sept 2014

'Maharashtra Tourism – Diwali at Times Square' on September 20 to attract foreign tourists to the state, the Maharashtra Tourism Development Corporation (MTDC) will organise a B2B roadshow at the Indian Consulate in New York for the city's travel trade. The roadshow will be organised to promote the various attractions of Maharashtra. MTDC have shortlisted ten suppliers from various parts of Maharashtra, which have a strategic importance from the tourism perspective. The suppliers comprise hotels and resorts, tour operators, wildlife operators, amphibian aircraft operators and hot air balloon service providers.



The roadshow will be conducted a day prior to the Diwali celebrations at Times Square. Maharashtra Tourism – Diwali at Times Square' will focus on recreating a Diwali festival-like environment to create awareness about Indian culture, especially Maharashtrian. The day-long Diwali celebration will comprise a display of an orchestrated laser light show and fireworks on Times Square's digital screens. There will be offerings of Indian food, dance performances, diya/rangoli paintings, art and crafts, fashion show, photo booths with ethnic outfits, celebrity autograph/photo booth, Dahi Handi/Mallkhamb and other cultural aspects and graffiti on display.

Foreign Airlines Bet on Corporate Travel, Increase Business Class Seats

Foreign carriers are bringing a higher number of business class seats in their flights on India on growing demand as positive sentiment returns to the country's economy. German flag carrier and Europe's biggest airline Lufthansa has brought in its new Boeing 747-800 on the Mumbai-Frankfurt route on which it currently operates the 747-400. That will increase the number of business class seats to 80 from 66, making it the foreign carrier offering the most seats in this class to India. The total capacity per flight increases 10% to 386 seats.

Similarly, Singapore Airlines is also considering a plan to introduce full business class upper decks on its Airbus A380 flights to India. The airline started operating the world's biggest passenger aircraft to India, replacing its Boeing 777s, increasing the number of business class seats to 60 from 38. In the current configuration, the air-

line's upper deck is a mix of business and economy class seats. The US is the only destination where it offers an exclusively business class upper deck aboard the A380.



Middle-eastern carrier Emirates will introduce the A380 jumbo jet on Indian routes in July. The aircraft will increase the number of business class seats by 45% to 76 seats. Demand for travel has slowed down in India in the last few years, following a slowdown in

the economy. But international aviation has weathered it better. Sydney-based CAPA-Centre for Aviation in a report last year said foreign air traffic has consistently seen double digit growth even when domestic traffic declined.

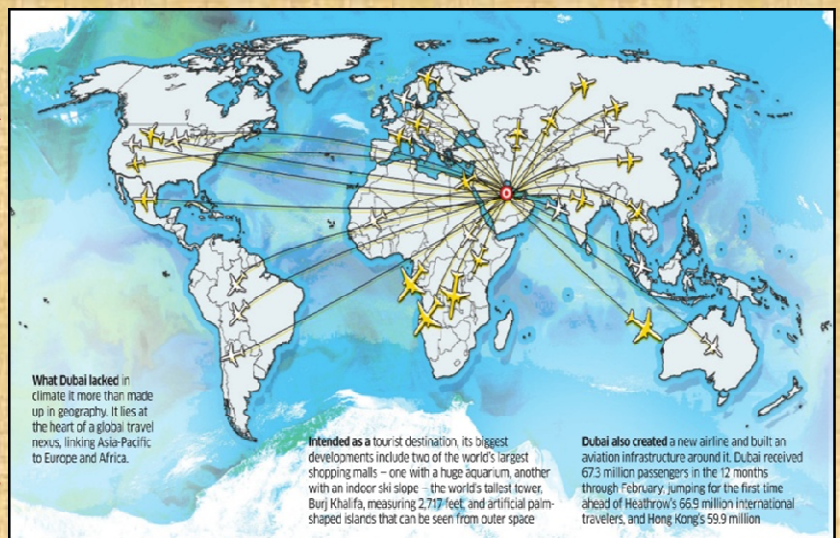
Source : The Economic Times

Dubai, Once a Refueling Stop, Now a Global Hub

From its humble beginning as a refuelling stop for travelers with no desire to move about in an inhospitable corner of the Arabian Peninsula, Dubai's airport has recently overtaken Heathrow Airport in London as the world's busiest international air travel hub. Just a decade ago, Dubai ranked as the 45th-largest international hub. Dubai's rise as a modern crossroads connecting East and West -with the name of its hometown Emirates, adorning the jerseys of the world's best soccer teams and sponsoring Formula One car racing and the United States Open -is a tale of globalization and ambition, and an audacious bet on the future of air travel.

Now, families from India and European backpackers roam through the airport's soaring terminals, with water cascades and fake palm trees, duty-free stores and high-end boutiques, as athletes from Iran and tourists from Russia look for their next flight in this cosmopolitan oasis. With few natural resources, barely any oil of its own, only 168,000 Emiratis and average temperatures exceeding 100 degrees Fahrenheit from May to September, Dubai has taken on a hazardous gambit. But what Dubai lacked in climate it more than made up in geography. Situated within eight flying hours of two thirds of the world's population, Dubai has set up a global hub that can connect virtually any two cities in the world with just one stop. And despite the last economic downturn, it has stuck with grand plans to build a second airport that will eventually dwarf its existing one in the next decade. Since the 1980s, when its rulers decided to turn the city into a tourist destination, Dubai's biggest developments include two of the world's largest shopping malls -one with a huge aquarium, another with an indoor ski slope -the world's tallest tower, Burj Khalifa, measuring 2,717 feet, and artificial palm-shaped islands that can be seen from outer space.

Dubai received 67.3 million passengers in the 12 months through February, according to the Airports Council International, jumping for the first time ahead of Heathrow's 66.9 million international travelers, and Hong Kong's 59.9 million. It trails Hartsfield-Jackson Atlanta International Airport and its 95 million passengers, though many of those are domestic passengers. Given Dubai's growth rate, it should also overtake Atlanta within a few years. Runway repairs have temporarily slowed traffic at Dubai's airport, but it should cement its lead over Heathrow by next year. Emirates was set up in 1985 with a \$10 million grant from the government of Dubai and a pair of Boeing 727 planes. The catalyst was a decision by Gulf Air, the region's main carrier at the time, to cut back on weekly flights between the United Arab Emirates and Pakistan because of a dispute over traffic rights. The carrier grew rapidly thanks to open skies policies that favored the development of the aviation sector and a business-friendly environment for foreigners. To attract tourists, Dubai created a month-long shopping festival offering discounts and deals on global brands and cheaper fares and hotel rooms.



Source : The Economic Times

Top 10 Landmarks of 2014 in the World by Tripadvisor

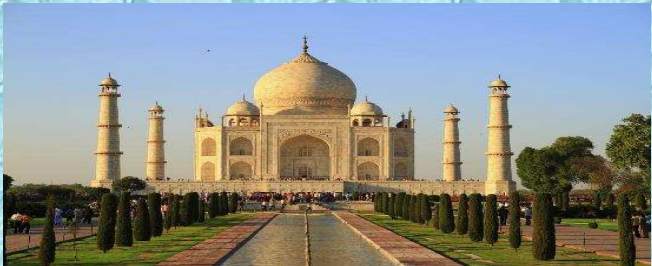
1. Machu Picchu, Peru



2. Sheikh Zayed Grand Mosque Center, Abu Dhabi



3. Taj Mahal, Agra, India



4. Great Cathedral & Mosque, Cordoba, Spain



5. St. Peter's Basilica, Vatican City, Italy



6. Angkor Wat, Siem Reap, Cambodia



7. Bayon Temple, Siem Reap, Cambodia



8. Church of our Savior on Spilled Blood, St. Petersburg, Russia



9. Gettysburg National Military Park, Gettysburg, Pennsylvania



10. Ancient City Walls, Dubrovnik, Croatia



Lighter Moments

Try to get some rest

A man had been driving all night and by morning was still far from his destination. He decided to stop at the next city he came to, and park somewhere quiet so he could get an hour or two of sleep. As luck would have it, the quiet place he chose happened to be on one of the city's major jogging routes. No sooner had he settled back to snooze when there came a knocking on his window. He looked out and saw a jogger running in place.

"Yes?"

"Excuse me, sir," the jogger said, "do you have the time?" The man looked at the car clock and answered, "8:15". The jogger said thanks and left. The man settled back again, and was just dozing off when there was another knock on the window and another jogger.

"Excuse me, sir, do you have the time?"

"8:25!"

The jogger said thanks and left. Now the man could see other joggers passing by and he knew it was only a matter of time before another one disturbed him. To avoid the problem, he got out a pen and paper and put a sign in his window saying, "I do not know the time!" Once again he settled back to sleep. He was just dozing off when there was another knock on the window.

"Sir, sir? It's 8:45!."

Thought for the Fortnight

If you want to calm the hunger of a man for a day, give him a fish.

If you want to calm his hunger for life, teach him how to fish.

IAAI Director Board

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The same may be forwarded to iaai.pune@iaai.in

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