

# MAUPIN EXPRESS

"THE LATEST TRAVEL NEWS FOR BUSINESS TRAVELERS ON THE GO!"

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\*\*\* Please forward to your key travelers/travel planners or post in an appropriate location \*\*\*

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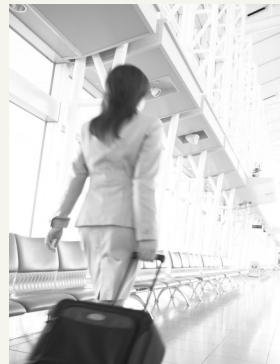
- Corporate Travel Prices Expected to Rise
- Risk Management a growing concern

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## Corporate Travel Prices Expected to Rise in 2011

Corporate Travel continues to rebound at a rapid pace through 2010 with a double-digit increase in overall demand according to Maupin Travel's global



Honeymoon for buyers could be over

affiliate BCD Travel and their consulting unit Advito. However, demand levels continue to vary significantly from region to region. For 2011, Advito is forecasting moderate airfare increases across all regions, but year over year, will be less than the increases experienced in 2010. Forecasted increases are from 2-7 percent in North America

and up to 7 percent to international destinations. Like 2010, it is anticipated that some of the increases for 2011 will result from reductions in the availability of lowest priced tickets as airlines begin closing lower fare classes earlier than in the past. Strong demand for intercontinental travel will continue to be a primary driver of fare increases in 2011. Despite a surge in second quarter demand in many markets internationally, domestic hotel rates were relatively flat for 2010. As we move into 2011, however, the honeymoon for buyers could be over. Hotels are anticipating across-the board increases in negotiated and public rates. Occupancy rates must rise, however, before any significant rate increases will occur. Corporate buyers can expect to see 3-4% increases in most of the secondary U.S. markets while major markets may see increases in the 5-6% range, with the exception being New York City that

could see rates rise as high as 13%. International hotel rates are forecasted to increase from 3-8%.

Prices in the car rental sector have remained relatively stable, due to aggressive competition among the major brands. The trend for 2011 will be for minor increases in the 3-5% range with an increased resurgence in "ancillary revenue" such as fuel surcharges, special equipment, additional drivers, underage drivers, early/late returns, mileage caps, energy surcharges, no show fees, toll programs, peak surcharges etc.



"For 2011 moderate airfare increases are predicted for all regions"

## Risk Management a Growing Concern for Travel Managers

Corporations who employ a “book-it-yourself” approach for purchasing travel may not feel the need to employ



a risk management strategy. Few organizations have developed a dedicated plan to mitigate risk inherent in any travel experience despite the importance for both the traveler and the corporation.

But many travel managers and administrative teams

are being held accountable for making sure both their travelers and the organization that employs them have a plan in place to protect against:

- ◆ Risk to personnel (health, safety and security)
- ◆ Reputational Risk
- ◆ Risk to data/equipment
- ◆ Legal Risk
- ◆ Financial Risk
- ◆ Risk to productivity/trip effectiveness

Under a six-step model proposed by consulting arm Advito, companies and organizations must:

1. Assign management responsibility– (Accounting, HR, Security, Legal, Medical)
2. Determine risk types
3. Assess risk exposure
4. Mitigate or manage risk - (treat, transfer, terminate, tolerate)
5. Communicate - travelers must be aware of their plans and responsibilities.
6. Audit - steering group, benchmarking, senior management, traveler feedback, promote policy compliance.

## Airline Ancillary Fees Creating Accounting Nightmare



*“Fees now comprise in excess of 7% of all airline revenue”*

U.S. airlines collected more than \$7.8B in ancillary fees in 2009 according to the U.S. Department of Transportation. These fees now comprise in excess of 7% of all airline revenue. With such compelling numbers, these fees are here to stay and will go higher as airlines concoct new ways to extract additional funds from travelers.

Now, corporate travel managers are fighting back because they are unable to identify and track those ancillary fees to determine the full, true cost of an airline ticket, hotel room or rental car. One major problem is that often these ancillary fees are paid at

multiple points of sale. Just 30% of these ancillary fees imposed by the airlines are incurred at



the time of ticketing. Even if ancillary charges are posted to a corporate credit card, or travelers submit these charges in an expense report, the

corporation often cannot determine if the purchase is a legitimate, reimbursable expense.

Maupin Travel, through its GDS partner, will be in the forefront of a new universal booking platform that could one day consolidate these charges to the agent’s desktop, and provide the traveler with an all-inclusive and transparent breakdown of the fees for airline services that are pre-purchased from the agency.

## “Secure Flight Program” Approaches Critical Deadline

Maupin Travel, along with all other booking sources, are nearing the deadline date of November 1 at which time it will become mandatory for all passengers to provide the airlines with additional information that is being required by the Transportation Security Administration (TSA). This information includes your full name as it appears on the documentation you'll provide to TSA during the

security screening process; your date of birth and your gender. In addition, passengers who have a redress number issued by the TSA are also required to communicate this number at the time the reservation is made. This redress number is a reference code assigned to passengers who have been authorized to travel by the TSA after passing a screening process and is used for peo-

ple who typically undergo additional screening due to errors or similarities with other names present on government “watch lists”. Should a passenger refuse to provide the necessary information, he/she could be detained when going through security and could be denied travel to/from the United States.



**Mandatory for all passengers to provide airlines with information required by TSA**

## Continental/United Merger a Done Deal!

United and Continental airlines took 2 ½ years to decide to merge, negotiate a deal and convince government regulators that the marriage wouldn't harm competition.

On Sept.17, shareholders for the two companies voted and approved the merger, creating the world's largest airline by many measures. The vote is the last step before closing papers are signed on October 1 and a new United Airlines brand will be born. The approval vote topped 98% for both companies.

Now comes the hard part... leaders of United and Continental, currently the nation's third and fourth largest airlines must put their very

different operating styles, workforces, fleets and corporate cultures together. And in a way that works for the travelers, communities and shareholders they serve. It is a task that could take 18 months or more if recent mergers, such as the Delta/Northwest deal are any indication.

However, airlines are not simple companies. They have complex financial structures. And there are huge labor and operations components that will have to be harmonized in order for any efficiencies to be obtained.

Travelers probably won't notice much of a difference until the spring. That's when the two airlines will start selling tickets

through a single platform, employees will wear new uniforms and airport signs and operations will be combined. One of the most noticeable signs...the planes will bear United's name, but their tails will have the Continental globe logo.

The new United and its regional affiliates will offer about 6,100 flights a day here and overseas. United is bringing its six hubs to the marriage: Chicago; Denver; Washington Dulles; San Francisco; Los Angeles International and Tokyo Narita. Continental has four: Houston; Cleveland; Newark and Guam. Continental has committed to keeping the Cleveland hub at least 90% of its present size for the next two years or pay a \$20M penalty to the city if it closes the hub within five years.

## Second Phase of RDU's Terminal 2 Takes Shape

Visitors to RDU's Terminal 2 are getting a sneak peek of the second phase of Terminal 2 (formerly Terminal C), which will open in late January 2011, just prior to the NHL All-Star Game slated to be played in Raleigh at the RBC Center. Construction crews have already removed curtains that separated the

construction site from the operating terminal, revealing portions of the north concourse and ticketing area. A viewing window allows passengers to watch the progress being made on the final portion of the terminal. When it opens, it will feature 17 additional gates, 13 new shops and restaurants with one ticketing island. The

first phase opened in October 2008 with 19 gates, 24 shops and restaurants, two ticketing islands and a new federal inspections area for international travelers.



*“Travelers probably won't notice much of a difference”*

### You Thought Your Coach Seat was Cramped Before. . .

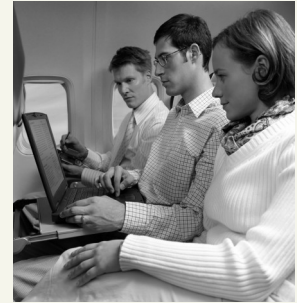
You'll never complain again about your in-flight experience and having to crawl over someone to get to the restroom or have the passenger in front of you scrunch your laptop against your chest as they recline to a 180 degree position. Introducing the new SkyRider airplane seat, introduced last week at the Aircraft Interiors Expo Americas conference in Long Beach, CA.

The new seat would give passengers an experience

akin to riding horseback, sitting at an angle with no more than 23 inches between their perch and the seat in front of them—a design that could appeal to low-cost airlines that have floated the idea of offering passengers standing-room only tickets on short flights.

Representatives of the Italy-based designer and manufacturer say with the SkyRider seating system in place, airlines can configure their aircraft to

accommodate up to 40 percent more passengers, thus increasing their revenue. And for the passengers willing to suspend themselves in this position for anywhere from 1-3 hours, lower ticket prices will be their reward. Not to worry...the SkyRider seat isn't headed for an airplane cabin just yet. But several airlines, including some in the U.S., have expressed interest.



**You'll never complain again about your in-flight experience**



*“new non-stop”*

### Delta Announces New Service This Fall

Significant service enhancements have been announced by Delta Airlines as it continues to build its market share at RDU Airport. The airline is adding new, non-stop service between RDU and five new cities on November 1 and will add a total of 14 flights.

The new cities are Hartford, CT; Columbus, OH; Orlando, FL; St. Louis, MO; and Tampa, FL. The airline will also be adding additional daily flights to Boston, New York-JFK Airport and Minneapolis/St. Paul.

The expanded schedule brings Delta's total daily service at RDU to 54 peak-day flights to 15 non-stop domestic destinations.

### Maupin Travel Makes “Top 40” List for Fourth Year

For the fourth year in a row, Maupin Travel has been ranked as one of the Top 40 Travel Management Companies in America for 2010 according to Business Travel News in its June 28 edition. This year,

Maupin ranked #34, its' best ranking in the four years on the list. Business Travel News is one of the leading travel publications for travel buyers within the corporate sector and ranks

participants based on their number of air transactions and sales for the preceding year. Maupin Travel was the only NC agency named in the rankings, as well.



**Top 40 Travel Management Company in America**

### Full Flights Signal Strong Demand

The summer weather to this point has been hot, and air travel has been hot as well. Through the first half of the year, the number of passengers flying to and from RDU is slightly ahead of 2009, but due to continuing reduction

by the airlines in the number of flights and available seats, the percentage of seats filled has reached record levels. In June, nearly 87 percent of the seats on scheduled flights departing RDU and nearly 84 percent of those on

arriving flights were filled, both all-time records for any month at RDU. Air cargo also has been on the move, its volume increasing by 12 percent versus last year.



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**A Virtuoso Agency**



Maupin Travel, an affiliate of BCD travel (the world's third largest travel consortium), is one of the largest and most respected travel management companies in the Carolinas with four office locations and over 40 employees in the Research Triangle region of North Carolina. A veteran owned and operated company, Maupin Travel was founded by President Tony Maupin in 1979. Maupin Travel continues to provide leading-edge business and leisure travel solutions for hundreds of organizations over 31 years later.

Maupin Travel prides itself on its innovative technology backed by highly-experienced, trustworthy and proactive travel counselors who are committed to exceeding your expectations. Whether it is business travel, meeting or a much-needed vacation, service excellence is Maupin Travel's #1 priority. By investing in employee training and superior technology, Maupin Travel fulfills its mission to deliver professional travel services providing the greatest possible value at the least possible cost. Maupin Travel is ready to help you save more on your travel costs and enhance your travel experience. Contact us today to attain the best value for your travel dollar.

**Special Offerings for Maupin Travel Clients!**

**FastPark & Relax for Rewards Program:**

Corporations or individuals who may not have not signed up this limited time offer can visit [www.fastparkandrelax.com](http://www.fastparkandrelax.com) and enroll in the program using **promotional code 0941207** and receive a variety of benefits in addition to a special parking rate of \$3.64 + tax (\$4.00 per day total). This special rate also provides the following benefits:

- ◆ Earn points for Free Parking
- ◆ Ticketless Entry and Exit
- ◆ Free Shuttle to/from RDU Airport
- ◆ Luggage Assistance/Car services
- ◆ Complimentary Newspaper and bottled water
- ◆ 24/7 Access in a Safe, Secure, Covered Lot

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