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With oil prices at a record high, a number of airlines have just announced the latest round of fuel surcharges - for some, it is the third increase this year. For the hapless passenger, it means as much as an extra US\$232 on the price of a round-trip ticket for a long-haul flight in excess of nine hours when flying with British Airways, and US\$40 on top of the cost of a return short-haul flight. That is more than the price of the ticket on some low-cost carriers.

While these increases are likely to have an impact on the leisure market - a family flying transatlantic to Florida, for example, face US\$ in fuel surcharges before they even start their holiday - there is little evidence yet to suggest they are having an effect on the business sector. Premium cabins are full on many routes as demand continues to outstrip supply.

In the final analysis, the wheels of commerce continue to turn, irrespective of the price of aviation fuel. But we could, perhaps, next year start to see some corporate belt-tightening, especially if there is the predicted downturn in the global economy.

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# newsbriefing

## EasyJet targets the corporate market with GDS deal



"This is a major step forward in our strategy to attract more business travellers. Europe's travel managers and their clients can now book with easyJet, therefore removing the last barrier to the corporate travel market."

Andy Harrison, chief executive, easyJet

EasyJet is targeting the €90 billion (US\$133 billion) European corporate travel market with break-through distribution deals with Amadeus and Galileo. It becomes the first major low-fare airline in Europe to sign up with the GDS networks, prompting derision from no-frills rival Ryanair.

The decision to increase its distribution options is clearly motivated by the business market, which now accounts for around 20% of easyJet's traffic, and follows a series of moves aimed at attracting the corporate traveller. These include speedy boarding, the ability to take an earlier flight if space is available without incurring an additional charge, and paid access to lounges.

Distribution through Amadeus and Galileo is specifically targeting travel agencies specialising in business travel and easyJet will apply a point-of-sale fee (the same principle applies to all non-internet sales, such as telephone and airport sales) to the cost of the fare.

To enable the agreements, Amadeus and Galileo have separately delivered new technology to connect each GDS directly to easyJet's inventory, allowing travel agents, for the first time, to make bookings on the airline within their routine workflow and channel.

Says Andy Harrison, easyJet's chief executive: "This is a major step forward in our strategy to attract more business travellers. As an airline, we have always appealed to businesses by offering an excellent high-frequency, flexible product between Europe's major airports. Europe's travel managers and their clients can now book with easyJet, therefore removing the last barrier to the corporate travel market."

However, Ryanair's head of communications, Peter Sherrard, criticised easyJet's deal with the travel trade, describing agents as "the costliest parasites in the travel industry".

"Easyjet has always been a closet high-fares airline and we are delighted to see that they are coming out," he said. "We are offering millions of seats at a fraction of Easyjet's high fares, with no rip-off middlemen, guaranteed."

### More lounges for Geneva

SWISS has opened a further two executive lounges at Geneva Airport – one for First Class passengers and the other for Senator members of the Miles and More frequent flyer programme.

Together with the existing Business Class lounge opened earlier this year, the carrier now offers a total of 845m<sup>2</sup>, accommodating up to 200 passengers at any one time. Facilities include computer terminals with free wired and wireless internet access, and complimentary food, with different offerings in each lounge.

The Swiss carrier will also shortly be opening three more lounges at Zurich Airport to meet growing customer demand, especially among the business travel community. The dedicated First Class check-in area will be enlarged and travellers from Zurich will also benefit from a new airport ticket office, opening this month.

### Boost for business

Priority boarding for its Business Select passengers is one of a number of measures introduced by Dallas-based Southwest Airlines in an effort to attract more corporate travellers. An additional credit for the carrier's Rapid Rewards frequent flyer programme and a complimentary cocktail on board are among the other perks.

The low-cost carrier has also streamlined its fare structure into three simple categories: Business Select, Business and Wanna Get Away, its discounted fares.

### Seats double on low-cost carriers

Capacity on low-cost airlines has more than doubled in just four years, according to the latest figures released by OAG BACK Aviation Solutions, a division of flight information and data solutions company Official Airline Guide (OAG). Low-cost flights now account for 16% of all services and 20% of all seats worldwide, compared to 14% and 17% respectively a year ago.

# newsbriefing

## Why the plane in Spain continues to reign



With 971 weekly departures, the route between Barcelona and Madrid is the busiest in the world

OAG BACK Aviation Solutions

-The world's busiest air route, with 971 weekly departures, continues to be that between Barcelona and Madrid. According to the latest statistics compiled by OAG BACK Aviation Solutions, it heads a list that includes Sao Paulo-Rio de Janeiro (894 flights per week), Jeju-Seoul (858) and Melbourne-Sydney (851).

In the US, Honolulu-Kahului has the largest number of weekly departure (639), followed by the major trunk routes between Las Vegas and Los Angeles (553), and San Diego-Los Angeles (514) flights. New York La Guardia appears twice in the list with its Boston and Washington Ronald Reagan links.

In Europe, Amsterdam-Heathrow, with 350 weekly departures, is the busiest international route (ranked eighth overall), while elsewhere Norway has two routes in the Top 10 (Bergen-Oslo and Trondheim Vaernes-Oslo). Paris Orly also features twice for its routes to Toulouse and to Nice.

The Middle East has the most international routes in OAG's list of the 10 busiest, with Bahrain-Dubai recording the highest number at 184 flights per week, but ranked fourth overall in the region behind Jeddah-Riyadh (324), Mashad-Tehran Mehrabad (199) and Dammam-Riyadh (184).

Elsewhere, South Africa dominates the African continent with six of the most used routes, reflecting the highly competitive market there. Leading the way is Cape Town-Johannesburg (831 weekly flights), followed by Durban-Johannesburg with 588.

OAG BACK Aviation Solutions, a division of flight information and data solutions company Official Airline Guide (OAG), tracks frequency (volume of flights) on its renowned schedules database.

### Reducing traveller stress

Being constantly on-call is changing business travel for the better, according to new research by the UK-based Institute of Travel Management (ITM).

Thanks to e-mail, Blackberries, PDAs and laptops, two-thirds of British companies regard connectivity as a vital requirement when their employees are travelling on business. Perhaps surprisingly, this always-on-call culture is seen as reducing, rather than increasing, the stress placed on employees, says ITM executive director Paul Tilstone. "Instead of being constantly in demand, travellers no longer

have to face a mountain of work when they return to the office. Working on the move makes business more competitive, although the increased expectation on the employee could have the opposite effect in the future."

Tilstone maintains corporate thinking is far from joined up on how to get the best from the employee. "There are some striking contradictions between what companies say and what they do," he says.

"Despite the importance placed on staying in touch, less than one third of organisations actually give their people any advice on connectivity when travelling.

"Airport lounge access is another case in point. Companies are missing out on how lounges can benefit employee productivity. The cost of lounge access is modest, and travellers can work in peace; however, less than 7% of British companies purchase lounge access for their travellers when it is not included through class of travel or executive club status.

"Although 75% of companies are now promoting transport choices to their staff based on efficient use of time, many travellers are encouraged to fly direct to save time, but at a higher cost. If travellers know that they have access to a place where they can work, regardless of who they fly with, or in what class, they are less likely to be driven by collecting benefits from frequent flyer schemes. This will increase compliance, which will drive down costs."

### Emirates steps up Oz flights

Dubai-based Emirates is planning to step up its services to Australia from 49 flights a week to 79 over the next two years.

Brisbane, Melbourne and Sydney will all benefit from additional flights and increased capacity. The Airbus A380 super-jumbo is due to be introduced on the Sydney and Melbourne routes from 2009.

A second daily service to Brisbane will be launched in October, 2008, using the state-of-the-art Airbus A340-500, and a third daily service between Dubai and Melbourne will start in February 2009.

Sydney will go to a triple daily frequency in late 2009. All will be non-stop.



# newsbriefing

## Accor's new Asian flagship hotel

Conceived by GMP, the award-winning German architects whose portfolio includes the reconstruction of the Berlin Olympic Stadium, the Sofitel Wanda Beijing has an eye-catching, geometric character.

A new landmark hotel has opened in the centre of Beijing, combining stunning German-designed architecture and French style. The Sofitel Wanda, located on Jiango Road, becomes the Accor group's new flagship property in Asia.

It has 417 rooms, including 43 suites, four restaurants, a 1,500m<sup>2</sup> ballroom among 10 conference rooms, and a health club and spa. Conceived by GMP, the award-winning architects whose portfolio includes the reconstruction of the Berlin Olympic Stadium, the hotel has an eye-catching, geometric character.

Inside, the peony, the national flower and a prevalent emblem of China, is central to the décor, with the lobby featuring three finely crafted Swarovski crystal peonies. A signature restaurant – Le Pre Lenôtre – offers a French country chateau ambience and cuisine.

Rates start at US\$272/€184 per night for two people sharing a deluxe king room on a bed and breakfast basis.

### Anything but a monastic life...

Guests staying at the Rocco Forte Collection's latest venture, due to open early next summer in Prague, will enjoy anything but a monastic lifestyle, despite the origins of the building.

The St Augustine, named after the 13th century monastery which forms part of the 101-room hotel, will offer every comfort, along with the latest technology. There will, however, be reminders of its former existence.

One of the two bars will occupy a barrel-vaulted, double-height hall, with views on to one of the formal garden squares and outside seating on the cloister terrace in the summer. And a 150m<sup>2</sup> function room will also be housed in a double-height vaulted hall.

Other features include a purpose-designed conference facility with a business centre, two meeting rooms and two boardrooms, all with direct access to private garden areas. Additionally, there is a sizeable health and fitness centre with a well equipped gym, four treatment rooms, sauna, steam room and relaxation area. The hotel also has two restaurants, and a 150m<sup>2</sup> presidential suite.

The Augustine, the 12th hotel to join The Collection, is located at the heart of the city in the Lesser Town, with spectacular views of Prague Castle and the Wallenstein Gardens.

### Budget chain moves into Spain

Travelodge, the UK budget chain, plans to open up to 100 hotels in Spain by 2020 in an ambitious €4 billion expansion programme.

In its first major move into international markets, the group will initially target major cities, including Madrid, Barcelona and Valencia, before rolling out to other large centres, suburban areas and airports. Each hotel will have approximately 80-100 rooms and will mirror the UK budget model, with online room prices starting from £0 a night.

Travelodge's expansion in Spain follows a successful pilot of three hotels – two in Madrid and one in Barcelona.

Says Grant Hearn, Travelodge's CEO: "Spanish consumers' appetite for budget products, coupled with a surge in internet usage, complement our low-cost brand and online sales model."

It plans to use the same leasehold method that is driving its €4.87 billion growth strategy in the UK. The chain plans to have five additional Spanish hotels open within the next three years, with a further 15 sites in the pipeline. Travelodge will develop the remainder over a 10-year period.

### Utell's Business Collection

A collection of independent hotels aimed at the business traveller is the latest portfolio of properties to be launched by hotel representation service Utell, part of US-based Pegasus Solutions.

The Business Collection comprises around 70 hotels located in city centres or commercial districts, with facilities including broadband internet access, business centres, and meeting and function areas.

Among the hotels featured are Apex City Hotels in London, Edinburgh and Dundee; several Golden Leaf properties in Germany; and four hotels in Washington DC, including the Washington Plaza.

# arrivalsdepartures

## American steps up its Stansted options



“This new service means we can offer our UK customers an even more comprehensive schedule to and from New York, giving greater flexibility with a choice of flights from Heathrow or Stansted at competitive prices.”

Maria Sebastian, vice president sales and marketing, EMEA, American Airlines

American Airlines has already announced plans to double the frequency of its newly launched Stansted-New York JFK service from the spring.

Introduced at the end of October, the Boeing 767-300 flights feature the carrier's new Business Class, with fully motorised lie-flat seats in a 2x2x2 configuration, and a personal in-flight entertainment device with audio and video on demand. Other enhancements include state-of-the-art cabin lighting and ergonomically designed overhead bins.

A spacious Business Class lounge, overlooking the airport apron, is scheduled to open at Stansted in the spring. As well as a cyber cafe and wired and wireless internet access, it will also have two shower rooms. In New York, passengers use American's new US\$1.3 billion terminal, which opened at the end of August. Facilities include two Admirals Clubs and a Flagship Lounge.

The second daily service will give travellers the choice of a morning or late afternoon departure from Stansted, and an early or late evening flight from New York.

“This new service not only gives our business and leisure passengers direct access to American's hub at JFK, but also brings inbound tourism and business opportunities to the doorstep of the East of England, which has many historic ties with the US,” says Stewart Wingate, managing director, BAA Stansted.

### EasyJet acquires GB Airways

EasyJet has acquired GB Airways in a £103.5 million (US\$213.6 million) deal that will enable it to operate almost one quarter of the landing slots at London Gatwick, making it the airport's largest carrier.

The purchase follows a decision by British Airways to terminate its franchise agreement with GB Airways at the end of March and to launch its own services on some of the routes, which are mainly to southern Europe and North Africa.

GB Airways operates a fleet of 15 Airbus aircraft across 39 routes. The deal includes all of its 28 Gatwick routes, plus six out of Manchester airport, but excludes its five landing slots at Heathrow.

EasyJet's chief executive, Andy Harrison, says that

he anticipates the acquisition, which is expected to be finalised in January, to be fully consolidated into the airline's current business by next winter. Some job losses are anticipated as a result of the takeover, but not among cabin crew.

The sale of GB Airways ends several months of uncertainty as to whether or not there would be a management buy-out.

### China Southern joins SkyTeam

China Southern Airlines has become the first mainland Chinese carrier to join an airline alliance, with confirmation of its membership of SkyTeam. Two more – Air China and Shanghai Airlines – are due to join the Star Alliance next month. Hong Kong-based Dragonair is already an affiliate member of Oneworld.

### US airlines plan Heathrow debut

Two US carriers have announced plans to launch services to London Heathrow once the Open Skies agreement comes into force in the spring.

Continental Airlines intends to introduce twice-daily non-stop flights between Heathrow and both its New York and Houston hubs on March 30, subject to government and slot approval. The airline will continue to offer services to London Gatwick from both New York (twice daily) and Houston (daily), as well as a seasonal daily link from Cleveland.

US Airways is to launch its first service to Heathrow on March 29. The carrier, which already serves Gatwick, will operate a daily frequency to and from Philadelphia, with tickets available for purchase from December 1.

### SkyEurope adds Luton

SkyEurope Airlines, which claims to be Central Europe's first low-fare carrier, has launched three routes from London Luton airport. In addition to a double daily service to Bratislava (Vienna) and daily flights to Prague, there are also three departures a week to Kosice and Poprad, in Eastern Slovakia.

The carrier says it hopes to carry up to 400,000 passengers via Luton during the coming year.

# traveldeals

## Free helicopter transfers for New York-bound passengers



"Thanks to our partnership with US Helicopter, getting to Manhattan is now even quicker – and at no extra fare to our highest-yield customers."

Jim Summerford, vice president  
Europe, Middle East & India,  
Continental Airlines

A complimentary eight-minute helicopter transfer from New York's Newark Liberty airport to a choice of two locations in central Manhattan is being offered by Continental Airlines to top-tier customers flying on transatlantic routes in its BusinessFirst cabins.

Available to passengers travelling on fares booked in the airline's J, D and Z categories, it applies to flights originating from any of the 29 cities in 16 countries served by Continental's transatlantic route network.

Customers travelling on return tickets can take advantage of complimentary helicopter transfers in both directions between New York Liberty and Manhattan, while those with one-way tickets qualify for a single transfer.

The normal US Helicopter one-way fare to the Downtown Manhattan Heliport is US\$159, while that to the East 34th Street/Midtown Heliport is US\$169.

While the fare is waived, customers are liable for applicable taxes. The offer is subject to availability and to changes or cancellation, and travellers should also be aware that US Helicopter has a different baggage allowance policy than Continental. For details, visit [www.flyush.com](http://www.flyush.com)

### Apartment savings

Savings of up to 50% on apartments in a number of UK cities, including London, Bath, Birmingham and Glasgow, are available over the Christmas and New Year period.

Apartment specialist SACO is offering one-bedroom units in central London from £117 per night throughout December, just over half price. In Bath, the company's elegant apartments, close to the city's new Thermae Spa, recently received a 4-star grading from VisitBritain. Rates are from £59 per night. Birmingham offers a choice of two locations – Brindleyplace, for the city centre, and at Edgbaston – with rates from £70 a night, which is also half-price. Similar rates apply in central Glasgow, as well as Bristol, Camberley, Cardiff, Derby, Farnborough, Nottingham and Reading. [www.sacoapartments.co.uk](http://www.sacoapartments.co.uk)

### Midweek corporate rate

A special corporate rate for midweek stays is being offered by a leading Scottish hotel.

Channings, a stylish 41-room townhouse property, 10 minutes' walk from the centre of Edinburgh, is offering its standard double rooms for £85 per night from Sunday to Thursday. This rate, which applies to single occupancy in a double room, includes continental breakfast, newspaper of choice and a one-way taxi ride of up to £5. For those who don't have time to sit down and savour their breakfast, the hotel will organise a 'breakfast-to-go', which includes takeaway coffee, a bacon roll and fresh fruit. A three-course dinner and coffee at the Channings Bar & Restaurant can be included, increasing the overnight rate to £105.

### Winter warmth package

Shanghai's first designer boutique hotel – the JIA – is offering a special winter warmth package until the end of February.

Rates range from RMB1,895 (US\$257) a night for a studio and RMB2,695 (US\$365) for a suite, plus tax and service charge, and include a welcome cocktail, continental breakfast, all-day soft drinks, afternoon cakes and evening wine in the lobby. Guests are also treated to a gift of a special winter 'woven' tea blend.

Located in the centre of the city on the corner of Nanjing Road and Tai Xing Road, JIA Shanghai is set within a 1920's-style building.

### Introductory rate

A special introductory rate of HK\$1,300 (US\$167) is being offered at the new Courtyard by Marriott hotel, which opens in Hong Kong this month. The 245-room property, located on the Island, close to the Macau ferry pier, is convenient for both the financial district of Central and the HK Convention and Exhibition Centre in Wanchai. As well as a business centre with two work stations and an executive lounge, the hotel has a round-the-clock fitness centre.

# A crude awakening

## Oil prices hit new high



Despite doomsday predictions in a new film, and airlines having to increase fuel surcharges yet again, it may not be all bad news for passengers, reports Colin Ellson

Cases of life and art imitating each other are rarely as pronounced as happened in late autumn this year. As oil prices reached a record US\$97 a barrel, prompting airlines to introduce a new round of fuel surcharges, a film was released which warns of an oil apocalypse.

Against a real-life back drop of rising costs caused by refinery bottlenecks, geopolitical problems in the Middle East, fluctuations in the US dollar, and the growing demands of India and China, *A Crude Awakening: The Oil Crash* claims that should there be a major slump in oil production – currently 80 million barrels a day – this will trigger worldwide recession and economic collapse.

The movie shows stark images of rusting oil wells and fuel riots in Asia and Africa, scenes that would be repeated around the planet. "The world is facing changes more frightening than any horror movie," warn the film's makers.

While some experts believe oil production has indeed peaked, others say it will within two years, either way giving credence to the movie's hypothesis. The oil companies, on the other hand,

say there are still major reserves to be exploited, and in a strange paradox, global warming is freeing the Arctic and Antarctic of ice and snow, allowing exploration of vast untapped resources.

OPEC, the Organisation of the Petroleum Exporting Countries, which controls the price of oil produced by its 14 Middle Eastern, South American, Asian and African members, is equally confident. Says secretary general Abdalla Salem El-Badri: "The Organisation strongly believes that fundamentals are not supporting current high prices and the market is well supplied. There has been no interruption in crude supplies. The rising oil prices which we are currently witnessing are largely driven by market speculators."

Back in the real world, away from fictional doomsday scenarios, the abstruse arguments of economists and geologists, and soothing words, the airlines are among the major users of the fossil fuel, which accounts for up to 40% of their operating costs, and their priority is to contain surcharges within acceptable limits.

To do this, they buy aviation fuel at the best price,

either over the counter or on the futures market. British Airways, for example, whose fuel bill this year will be £2 billion (US\$4 billion), has locked in the cost of 90% of its needs at some US\$68 a barrel until the end of March 2008. But it has hedged only 45% from April to September next year at US\$76 a barrel, with the remainder to be bought at prevailing market prices. Like its competitors, BA acknowledges that buying fuel is not an exact science and contains more than an element of luck.

Meanwhile, in mid-November, the airline – which was fined US\$540 million in August for colluding with Virgin Atlantic to fix fuel surcharges – raised those on flights lasting more than nine hours by US\$60 to US\$232 for a return ticket. Sub-nine-hour trips went up by US\$40 to US\$192, and short-haul flights by US\$8 to US\$40.

Also increasing their fuel surcharges, at differing rates, in late autumn were KLM, Aer Lingus, Virgin Atlantic, Singapore Airlines and Cathay Pacific, among others, while Emirates has abolished such levies, holding that they are part of an airline's operating costs and do not need to be shown separately.

More transparently, Michael O'Leary, the outspoken CEO of low-cost carrier Ryanair, has announced it will never impose fuel surcharges, "even if oil hits \$200 a barrel".

Should that dire situation ever materialise, then the prospect of the oil apocalypse predicted in *A Crude Awakening* would draw alarmingly nearer. To date, however, there have been no riots by airline passengers faced with spiralling fuel surcharges, despite their swingeing effect on fares worldwide.

While premium class passengers largely accept the facts of airline economics and the profit motive, and the sector is even on the increase, not surprisingly, there has been a dip in leisure travel. A family of four flying transatlantic to Orlando, Florida, for example, faces some

US\$800 in surcharges to the price of a holiday.

But according to Guy Caruso, chief of the US Energy Department's statistical division, there is no need to panic and air fares should stabilise. "Oil prices are likely to fall at least another \$10 a barrel by next year, to around \$80 a barrel, based on assumptions about new supplies and limited growth in demand," he says.

We can only hope that such predictions will prove correct, relegating the latest disaster movie and its ilk to an exciting but nonsensical flight of fancy

### What you fork out for fuel

#### British Airways

Long haul under nine hours: US\$192 return.

Long-haul over nine hours: US\$232 return.

Short haul: US\$40 return

#### Bmi

Long-haul: US\$60 per sector.

Short-haul: US\$32 return

#### Cathay Pacific

Long-haul: US\$54.90 per sector

#### Japan Air Lines

Japan to Europe, North America (excluding Hawaii), Middle East, Oceania: increases from US\$108 to US\$141 per sector on January 1, 2008.

Japan to Hong Kong: increases from US\$50 to US\$62 per sector.

Japan to Korea: increases from US\$16 to US\$20 per sector.

Japan to China: increases from US\$39 per sector to US\$49

#### Singapore Airlines/SilkAir

Singapore to US and Canada: US\$104 per sector.

Regional routes: US\$24 per sector. All other flights: US\$67 per sector

#### Virgin Atlantic

UK to US East Coast, Caribbean, Africa, India, Middle East: US\$172 return.

UK to US West Coast, Far East, Australia, South Africa, Indian Ocean: US\$192 return

# London Stansted

## Poised for further expansion



There appears to be no stopping the expansion of the UK's third busiest airport, but a decision is awaited before the next phase can go ahead. Mike Toynbee reports

Actor Christian Slater, who cut the ribbon at the recent inaugural ceremony to welcome American Airlines' first flight into London Stansted from New York JFK, was certainly not suffering the hallucinations of the character he played in the successful West End stage production of *One Flew Over the Cuckoo's Nest*.

Admittedly, there was a jazz band playing before breakfast – "I've never performed at this time of the day unless I happen to be still playing from the night before," said one of the bemused musicians. But there were none of the nightmare scenes as witnessed at Heathrow and Gatwick this summer. Despite its reputation as a low-cost gateway – no-frills Ryanair operates to close on 100 destinations with fares from £5 one-way – the Essex airport was busy, but not uncomfortably so.

Queues at check-in and security were no longer than might be expected at that time of day. Sanity preserved, the Hollywood star, who is a frequent traveller to London, would not have needed any of the electric shock treatment meted out in the play.

When Stansted's new terminal was controversially opened as London's third airport in 1991, it was designed to handle eight million passengers a year.

With the addition of a satellite terminal, that figure has now trebled to 24 million, claiming to make it the fastest growing major airport in Europe. Currently, it is more than half way through a £40 million terminal extension, which will create an extra 5,900m<sup>2</sup> of floor space for the international arrivals area, with the expanded immigration, baggage and customs halls opening in June and the project fully completed by the end of next year.

A five-month public inquiry into the airport's planning application to increase its annual capacity to 35 million passengers has just finished. Against strong local opposition for further expansion, Stansted's owners, BAA, have emphasised the "substantial economic and social benefits" to be gained if the proposed development is given the go-ahead. This includes the estimated 3,800 additional jobs that would be created and the tens of millions of pounds that would be generated into the local economy.

Said Nick Barton, Stansted's business development and planning director: "We now await the outcome of the Inspector's report and the decision of the Government, but we remain very confident of the strong and compelling case we have made." Separately, there is a proposal for a second runway.

It is already the UK's third busiest airport, with 33 airlines serving more than 160 destinations in 34 countries. In addition to American's service to New York, other new destinations include Munich (Air Berlin); Belfast (Ryanair); Funchal (easyJet) and Manchester (Eastern Airways).

As well as its reputation as the UK's leading low-cost gateway, Stansted also attracted the first all-Business Class carriers to serve the UK: Eos and Maxjet. Eos, which operates Boeing 757s with just 48 seats, flies to and from New York JFK and is adding a New York Newark service next spring, increasing the weekly total of flights to 58. Earlier this year, in July, it opened its Club 48 gate-side

departure lounge at Stansted, offering a tranquil haven. Business facilities include individual computer workstations and wi-fi access, and there is also a bar and catering facilities.

Maxjet, which also launched its UK services two years ago on the New York JFK route, has since added Los Angeles, which is being stepped up to five flights a week from December 5, with a sixth weekly departure beginning on February 15. It is also adding a fifth weekly service on the Las Vegas route from this month, and is increasing the New York service to 10 flights a week from March 1. However, Maxjet dropped the Washington-Stansted route at the end of October.



### At-a-glance guide

**Location:** 55km (34 miles) to the northeast of London

**Transport links:** Stansted Express operates to and from Liverpool Street (journey time 46 minutes), via Tottenham Hale (35 minutes), where it connects with the London Underground. From January, an extra 13 services a week are planned; one-way fare £15.50 (Standard) and £24.50 (First); National Express and Terravision Express Shuttle bus services to Liverpool Street and Victoria, plus various direct

services to UK provincial cities, including Oxford; taxis to central London take 60-90 minutes and cost around £85

**Annual passenger throughput:** 24 million

**Minimum connecting time:** 45 minutes

**Executive lounges:** Servisair pay-as-you-enter lounge; American Airlines (new facility opening spring); Eos; Maxjet

**Facilities:** airport-wide wireless internet access; interdenominational chapel;

business centre (in Enterprise House), showers; extensive range of retail outlets, including top-name brands, Hamleys etc; duty-free; wide choice of restaurants, cafes and bars, including a Caviar House seafood bar

**Banks/cashpoints:** ATMs, bureaux de change and an internet exchange

**Airport hotels:** Radisson SAS, Hilton, Express by Holiday Inn

**Car rental desks:** Alamo, Avis, Budget, Hertz, Europcar, National

**Website:** [www.stanstedairport.com](http://www.stanstedairport.com)

# Madrid

## Olympian ambitions

Destination  
(MAD)

Overlooked as host for the 2012 Olympics, the Spanish capital is pitching for the 2016 Games. With its fine infrastructure, it is well qualified, says Jonathan Hart

**Currency:** Euro (€ 1=US\$1.47)

**Tipping:** popular misconception as tipping is not common in Spain, other than leaving the odd coin in change

**Time:** GMT +1 (+2 between April and October)

**Electricity:** 230 volts (European-style two-pin plugs)

**Public holidays 2007:**

December 6, 8, 25. 2008: January 1, 6; March 20, 21; May 1, 2; August 15; October 12; November 1; December 6, 8, 25

**Climate:** Madrid has more sunny days than any other Western European city. While peak summer temperatures can reach 40°C (104°F), it is slightly more bearable due to relatively low humidity levels. In winter, temperatures can often fall below freezing, although snow is rare. Rainfall tends to be sparse

**Airport:** Madrid Barajas (MAD), 13km (8 miles). The Metro

connects the airport (Terminal 2) to the city centre (Nuevos Ministerios) in around 12 minutes and costs €1.25; buses also operate to and from both terminals to the city; the journey by taxi costs €25 -€5 and takes around 20-30 minutes

**Hotels:** Adler, Clarion, Gran Melia Fenix, Hesperia, Husa Princesa, InterContinental, Melia Avenida de America, Melia Castilla, Melia Madrid Princesa, NH, Orfila, Park Hyatt Villa Magna, Ritz, Sofitel, Tryp, Wellington, Westin Alameda, Westin Palace

**Business hours:** Most government offices are open weekdays from 09.00 to 14.00 only, although businesses operate longer hours, varying from company to company

**International dialling code:** 34

**In emergency:** 112 (police, fire and ambulance)

### business do's and don'ts

**Do** dress smartly

**Do** be punctual, even though the Spaniards take a rather relaxed approach to time

**Do** bear in mind that family matters tend to override everything

**Do** be prepared for some fairly chaotic negotiating, often with several people speaking at once

**Do** bear in mind that if a public holiday falls on Tuesday or Thursday, many Spanish take the extra day and make it a four-day break

**Don't** be impatient if negotiations drag on or that they continue over a meal

**Don't** be surprised at late meal times – the Spanish don't generally consider dinner before 9pm

Disgruntled Londoners opposed to wildly escalating costs or merely ambivalent about their city's controversial hosting of the Olympic Games, are fond of debating who would have been the worthiest host for 2012.

Of the front-runners, the arguably better equipped and civilly more attuned Paris and Madrid garner the most votes. Chiefly because both already have much of the required infrastructure in place compared to their over-stretched and divided northern counterpart, whose Walter Mitty-style visions of regeneration are mocked by taxpayers as absurd and inept.

Of the two alternative European venues, Paris probably gets the vote for being the most accomplished host. And Madrid, imbued with a fiery enthusiasm and spirit of fun, gets it for being the most deserving.

Spanish-speaking world, as well as an increasingly proficient centre and conduit for EU-associated meetings and business.

The addition of a fourth terminal and satellite and fourth runway at Barajas Airport, virtually doubling annual passenger capacity to 70 million, reflects the status of a proud and stylish city that has barely faltered in its pursuit of progress in the post-Franco era. As do a good range of hotels, and a still growing, airport-connected metro system, alongside the building of another financial district to supplement the downtown AZCA area.

And, in contrast to many increasingly restrictive and anodyne EU capitals, progress has not been bought at the expense of a powerful streak of independence in a place that zealously guards and celebrates its individual freedoms and lifestyles, as well as its rich arts and architectural heritage.



Attributes, according to most Madrileños, that have now twice been overlooked by the Olympic powers-that-be because Spain, in the form of domestic rival Barcelona, hosted the Games less than 20 years ago.

Still determined to win its turn, gregarious and outgoing Madrid is now bidding for 2016, armed with a continuously improving infrastructure that, quite apart from any Olympic ambitions, already makes it one of Europe's choicest meetings and entertainment venues.

As the seat of government, financial and industrial cog of Spain, with sustained economic growth and globally growing corporate tentacles, Madrid can also point to being the continental hub for the

Madrileños are determined to appreciate and enjoy life and do so with a verve that can leave the visitor happily bewildered, not just in fathoming the 24-hour pursuit of food and fun, but also the seamless division between night and day, work and play.

Guaranteed is that nothing will stand in the way of Madrid's natural predilection to put on the mother of all-day, all-night parties should the Olympics eventually come its way. As anywhere else, its efficiency may occasionally be questioned and terrorism pose a threat. But never for this hedonistic city any danger of indigenous inhibitions, federal impositions or killjoy attitudes conspiring to mar a big event.

bmi

## In it for the long haul



The 21st century has seen rapid growth at bmi as it transforms itself from a short-haul airline to a carrier aiming for global reach. Sheron Crossman reports

Back in the 1990s, few voices made the headlines more frequently than that of bmi's chairman, Sir Michael Bishop, vigorously campaigning against the restrictive air service agreements between the UK and US.

And when he finally won the rights to fly across the pond, no airline greeted the turn of the century in more style, celebrating with the launch of the first scheduled services between Manchester and Washington DC and Chicago in Spring 2001.

A fresh new brand (bmi British Midland, which has since been abbreviated to bmi) and stylish livery was announced for the new millennium – this was an airline going places and those places were to be long haul.

bmi's intercontinental route history continued to be made in 2005, when the airline elbowed its way into Heathrow with the launch of its first service to Mumbai, quickly followed by mid-haul routes to Riyadh and Jeddah in Saudi Arabia.

So it seems somewhat bizarre that the slate of new routes announced towards the end of this year have not been to transatlantic gateways but scattered across Central Asia. In February 2007, when bmi's holding company acquired the British

Airways franchise operation BMED, it added some 17 new medium-haul routes to the Middle East, Asia and Africa without the trace of a serious competitor on the horizon.

In a geographical shift of direction but business masterstroke, bmi has scooped up a route network to a clutch of the most important business destinations of the future – including Baku, Tehran, Beirut, Amman, Almaty and Yerevan – all served from Heathrow's Terminal 1. The services started in October, with an improved timetable for business travellers and an enhanced in-flight product.

Travellers on the new routes can expect an upgraded drinks and meals service on all mid- and long-haul flights, new amenity kits, and an in-flight entertainment system featuring up to 22 films and nine TV channels.

Not to be outdone by its competitors, in September, bmi upgraded its Business Class seats to lie-flat beds on services from Heathrow to Riyadh and Jeddah, and to the Caribbean and the US from Manchester. The fully adjustable beds offer a 26-inch seat width and up to 80-inch length.

The airline has also launched a much-enhanced Premium Economy product on routes to the US

and Caribbean, providing a Business Class seat with 49-inch pitch, which it claims is 11 inches greater than any of its rivals.

Furthermore, bmi is planning a major extension of its mid-haul route network next year, which CEO Nigel Turner says, "represents the single largest expansion of the bmi brand in the history of the airline, and marks our continuing transition into a truly global carrier."

"Ten years ago," he adds, "we had a network that was 100% short-haul domestic and European. From the end of October, more than half our destinations from Heathrow have been in the mid- and long-haul markets."

This winter, bmi will serve 36 destinations from Heathrow, a network that will particularly appeal to transit traffic as all are served from Terminal 1.

Turner has also revealed some of the planned new routes for next year. "We have identified a number of key destinations we are eager to serve from Heathrow," he says, "including Kiev, Minsk, Kuwait City, Lahore, Tel Aviv and Sana'a, as well as increasing flights from Heathrow to Moscow."

The first of these was announced in November, a new Damman service due to start in early 2008. It

will operate from Heathrow three times a week on wide-bodied Airbus A330 aircraft; bmi hopes the new route will build on the success of its operations to existing Saudi destinations, Riyadh and Jeddah.

"We are delighted to be announcing further developments which are marking our transition into a truly global airline," continues Turner. "Next year, bmi will be serving 41 destinations from Heathrow."

The former BMED routes are predominantly to the Middle East, Russia and Central Asia, but also include Addis Ababa, Ethiopia, Freetown, Sierra Leone and Khartoum, Sudan. Daily direct flights are offered to Cairo, Amman and Beirut, an increase over the previous BA schedule.

To facilitate this rapid expansion, bmi is to add 10 aircraft to its fleet. The first of five new Airbus A330s, costing around US\$500 million, is due to be delivered in spring 2008, supplementing the existing three A330s. bmi will also take delivery of five new Airbus A321s, worth US\$250 million each, for the expanded medium-haul network.

The acquisition of BMED gives the bmi group a business with a turnover in excess of US\$2 billion, with potential for huge growth.



### What you get in bmi Business Class

Available on US, Caribbean and Saudi Arabia routes

- New lie-flat leather seats, 26-inch wide, 78-80-inch length.

- Electronic lumbar support, adjustable foot and leg rests.
- Adjustable reading light, tray and cocktail tables, storage compartment

- 15-inch seat back screens, choice of latest film releases, TV and audio channels

- On-board chef offers wide choice of modern and international meals
- Welcome glass champagne or fruit juice before take-off

Website: [www.united.com](http://www.united.com)

# Rezidor Hotel Group

## Mover and shaker

The stylish Rezidor group has expanded so quickly in recent years that it has reached the top of the hospitality tree almost unnoticed. Jonathan Hart reports

Asked to name one of the world's fastest-growing hotel groups, it's unlikely you would say Rezidor. You might suggest Radisson SAS, one of the group's brands. Or even Carlson Hotels Worldwide, a name with which Radisson is traditionally associated.

Yet as a corporate brand or instantly recognisable hotel management company, Rezidor seems to have crept up largely unawares to capture its coveted position in the development league.

At least among consumers or those unfamiliar with the impact made on the hospitality industry by this rapid action, fast talking group that already ranks among the world's top five hotel operators, with 309 hotels in operation or under development, offering a total of 63,000 rooms in 48 countries.

One reason, perhaps, is that Rezidor's expansion has been so fast, moving from minnow to major in a few short years; meaning that its image as a big corporate player has arguably yet to become entrenched in the business traveller psyche.

Another could be that the group has only recently started to spread its focus from the core Radisson SAS brand to encompass a multi-tiered approach

across its primary operating sphere in Europe, the Middle East and Africa.

So think Rezidor today and you should also be thinking of the same company that, alongside Radisson SAS, also operates Park Inn, Regent and Country Inn – all brands that, following Radisson via the SAS Group of Stockholm since 1994, have been co-opted under master franchise agreements from the Carlson Hotels Worldwide stable.

Add the recent licence to operate the Missoni fashion brand, as yet in its infancy with hotel developments, and you have an impressive portfolio geared to compete on all accommodation levels.

Following a recent IPO and a phased withdrawal of the SAS Group, Carlson remains a major shareholder in Brussels-based Rezidor, increasing its stake this year to more than 40%. But to all intents and purposes, it is the Rezidor Hotel Group name, assisted by slick banner marketing and generic product development, including themed interiors, meetings innovations and hip bars and restaurants, that is gaining prominence outside the US.

An autonomous image that could be ideal right now, if only in terms of disassociation with

squabbles in the parent company. In an owner family feud redolent of the Pritzkers of Hyatt, Carlson mother and son are currently locked in a lawsuit over the running of the family companies; an action that on the organisation's 70th anniversary in 2008 looks set to see the first non-family member being elected to run Carlson.

Meanwhile, Rezidor president and chief executive Kurt Ritter presides over an uncommonly flat-structured and democratic company that has escaped such unsettling trouble at the top,

continuously evaluating, re-evaluating and adapting to local market needs, with resulting top levels of guest satisfaction. "We're flexible, approachable and entrepreneurial, so very commercial," says a pragmatic Ritter.

Given its projects in the pipeline and potential to multiply yet again, with another 20,000 rooms opening during the next two years, principally across Northern Europe, Russia and the CIS, Rezidor has clearly found a formula that should also improve its recognition among consumers.



## Rezidor Hotel Group

### Key brands

**Radisson SAS:** Almost 200 first class, full-service hotels. City centre landmark, boutique or major airport properties; average size 202 rooms. New or refurbished hotels with innovative architecture and/or interior décor.  
*Latest openings: Dublin, Jersey.*

**Park Inn:** Some 100 mid-range/budget, full-service hotels. Secondary city, urban or airport locations; average size 164 rooms. All with meeting and recreational facilities. Clean, energetic, fun properties with all the essentials.

*Latest openings: Glasgow, St Petersburg, Bielefeld, Dusseldorf.*

- Radisson SAS (in the upper upscale segment) and Park Inn (economy segment) were ranked highest in their class in the 2007 European Guest Satisfaction Index of J.D.Power & Associates.

### Additional brands

**Regent Hotels & Resorts:** Eight traditional 5-star deluxe hotels/resorts in Europe (Berlin, Zagreb); Caribbean/North America (Turks & Caicos, Florida), and Asia (Shanghai, Taipei, Singapore, Beijing). Properties to open in Boston and Bangkok in 2008, Dubai in 2009, and Costa Rica and Abu Dhabi in 2010.

**Hotel Missoni:** New fashion/lifestyle brand to debut in 2008 in Edinburgh and Kuwait City.

Properties to focus on food and design, ranging in size from 100 to 300 rooms depending on market, location and architecture.

**Country Inn:** Four limited service hotels in Austria, France, Germany and UK. Homely atmosphere, residential-style interior décor. Brand under review, possibly for adaptation and incorporation with Park Inn.

### Loyalty scheme

Goldpoints plus, with points and awards earned and redeemable across all brands. Also operates with the Park Plaza brand, another Carlson offshoot.

**Website:** [www.rezidor.com](http://www.rezidor.com)