

January – March 2019

UPDATE ON THE 2019 CONSUMER AWARENESS CAMPAIGN

As reported in the last issue of TICO Talk, this year's Consumer Awareness Campaign has focused specifically on the digital space. That's because most travellers use the internet to research travel destinations. In addition, many consumers are increasingly booking online – or at least checking prices and deals before contacting their travel agent. The campaign was launched December 10th, 2018 and runs through to March 31st, 2019.



TICO's Consumer Awareness Campaign features three videos that have been showing on YouTube and social media posts, along with banner ads on websites that target specific demographics. The videos present a Millennial couple, a young family of four, and Snowbird couple. In each case, they arrive at the airport check-in counter only to be prevented from flying because they did not have the required document needed for their destination. The message? Book with a TICO travel agency or website so you don't miss any details. The video ads have also been running in downtown Toronto, in the underground PATH system and at Dundas Square.



Digital surveys were conducted throughout the campaign, to measure consumer awareness. As of February 11th (two and a half months into the campaign), TICO's campaign is on track to exceed estimated goals of consumer engagement. Some interesting stats to date include:

- Overall, the campaign is more than halfway through the estimated goal of impressions (number of times the videos, ads and posts were served to audiences), views and engagement rates.

Continued on page 3...

IN THIS ISSUE...

Message from the Registrar.....	2	Fraud Alert	5
Profile on Marc Patry.....	3	1 st Notice of Annual General Meeting	6
Update on Sinorama Holidays Inc.....	4	TICO's Registrant Code of Ethics.....	7

TICO BOARD OF DIRECTORS 2019

INDUSTRY REPRESENTATIVES

Nicole Bursey
Commercial Director
Transat Tours Canada
Toronto

Jim Diebel
President
Hanover Holiday Tours
Hanover

Richard Edwards
Controller
Travel Corporation Canada
Toronto

Mike Foster
President
Nexion Canada
London

Louise Gardiner
ACTA Ontario Representative
Mississauga

Marc Patry
Director
CNH Tours
Ottawa

Scott Stewart
President
G. Stewart Travel Services Ltd.
Peterborough

Robert Townshend
President
Total Advantage Travel & Tours Inc.
Toronto, ON

Brett Walker – Vice Chair
General Manager, Canada
Collette Vacations
Mississauga

MINISTERIAL APPOINTMENTS

Khatera Akbari
Senior Policy Analyst
Government of Canada
Ottawa

Jean Hébert - Chair
Consultant
Ottawa

Vigneswaren (Warren) Kanagaratnam
Director
House of Consulting Inc.
Toronto

Ian McMillan
International Marketing Specialist
Destination Northern Ontario
Sault Ste. Marie

Lorraine Nowina
Toronto

MESSAGE FROM THE REGISTRAR



Another year is almost behind us and what a year it has been. In the final weeks of our fiscal year (ending March 31st), we can reflect back on the many positive developments, and one unfortunate event, all of which substantiate the importance of TICO's consumer protection mandate.

As I reported last edition, our new digital consumer awareness campaign is almost complete. Early indications and metrics point to a successful campaign. Hopefully you saw, and enjoyed, one of our three videos over the internet, or perhaps on social media, pointing out to consumers in a humorous way the importance of reading the details – watching for that infamous “asterisk” – and understanding the detailed terms and conditions when booking your travel. Our campaign was also displayed through the GTA's Path system, at Dundas Square, in various print media and even radio. Our display advertisements alerted consumers to be mindful of non-registrants so they are aware of booking travel with someone other than a TICO registrant. We continue to stress the importance to consumers to book all their travel with a TICO registered travel agency or website. We hope you found this new campaign both innovative and clear and would welcome your feedback at tico@tico.ca. We plan to stay the course with our digital campaign and will continue to enhance our targeting to Ontario consumers across the province.

The review and development of the detailed Regulations supporting the new consumer protection bill remains a high priority for TICO and the Board of Directors. Despite a pause in moving forward, final direction from the government on specific content is close and detailed work on Regulation development will commence shortly. In the meantime, management and the Board of Directors have continued their preparations so that we can advance the Regulations as quickly as possible. Consumer protection, regulatory burden reduction and regulator efficiency remain the priority focus of these future amendments. We expect to consult publicly on the draft regulation this summer with a goal of finalizing it later this year. Stay tuned!

The past year was also negatively impacted by the failure of Sinorama, causing thousands of consumers in Ontario and across the country to lose their precious summer vacation plans. In August 2018, Sinorama Holidays Inc., a TICO registrant, closed its doors for the last

Continued on page 6...

PRESENTING

Marc Patry

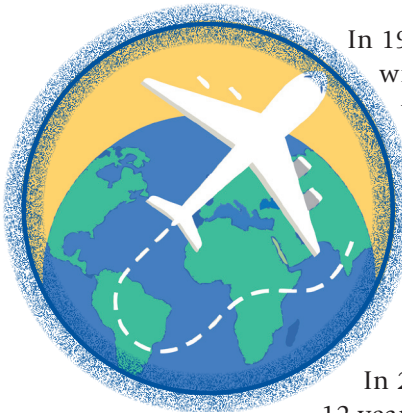
Director

TICO Board of Directors



● **Prior to joining TICO, what was your background in the travel industry?**

As a scientist, my first foray into tourism was when I worked for a Canadian NGO, Eastern Ontario Model Forest, on sustainable community forestry in the Yucatan. In 1997 I was asked to arrange for a group of the NGO's Canadian members to visit, which I did under the auspices of the NGO. As that trip went well, I organized two more not-for-profit study trips for my employer – to Patagonia in Chile, and to the monarch butterfly reserves in Mexico.



In 1998 I moved to the Galapagos islands with my wife, Heather Blenkiron, where I worked for the Charles Darwin Research Station on one of the largest ever conservation projects in the Galapagos – eradicating introduced goats. While I was there, I started dabbling in tourism as a sideline, helping people find a Galapagos cruise most suited to their interest.

In 2003, we moved to Paris, where for the next 12 years I oversaw UNESCO's World Heritage program for natural World Heritage Sites in Latin America and the Caribbean. Before going, I had set up Cultural and Natural Heritage (CNH) Tours as a sole proprietorship. In Paris, Heather took over the running of CNH Tours, overseeing a constant growth over the years. We continued this arrangement during our 18 months with UNESCO in Nairobi. When we returned to Ottawa in 2015, we incorporated the business, registered it with TICO and both Heather and I passed the TICO exams. At that point, I started to work at CNH Tours on a full-time basis.

● **When did you join the Board?**

In June 2017 I was elected to the retail position, which is a three-year term ending at the AGM in 2020.

Continued on page 4...

Update on the 2019 Consumer Awareness Campaign... continued from page 1

- The videos have exceeded the number of impressions that were estimated and have sustained an encouraging completion rate of 40% (the number of people who watched the video to the end).
- On social media, TICO's posts and videos reached more than 2.5 million unique Ontarians;
- There were 258,000 social media engagements (interactions such as likes, comments, shares or clicks); and
- Over 3,100 users have been driven by the videos, and social media posts to TICO's website.

Omnibus Survey Shows a Significant Upsurge in Travel

Once again, the Omnibus survey produced some encouraging statistics on the travel patterns of Ontario consumers, as follows:

- 73% of Ontarians reported taking at least one trip in the past two years, an increase of 4% (from 69%) in 2018.
- 67% of respondents plan to take a personal trip within the next year (up from 62% in 2018) and 22% plan to take a business trip within the next year (the same as in 2018).
- 44% booked their personal travel directly with an online service provider, up from 38% in 2018. 37% booked travel with an agent (by phone or in-person), compared with 38% in 2018.

Continued on page 8...

Update on Sinorama Holidays Inc.

Since Sinorama Holidays terminated its operations in August 2018, it has been a busy file for TICO. As of mid-February 2019, this is what can be reported:

- There are 121 claims pending, which represents 228 passengers, for a total of approximately \$471,000.
- Of these 121 claims, some may be either abandoned or withdrawn over the next few months, as TICO continues its claims process to obtain further required supporting documentation to complete each claim.
- In addition, to date 315 claims received - representing approximately \$1,500,000 - have either been abandoned or withdrawn; TICO does not expect any of these claims to be revived as consumers have been refunded by their applicable credit card company.



● What is the area of expertise that you are bringing to TICO?

Rather than “expertise”, I would rather address the perspective that I bring to the Board. For example, when we first tried to set up our business in Ontario in 2002, we couldn’t meet the requirements due to the regulations at that time. We had to have a separate entrance to our office, but since our business was 100% online, we had no physical clients. Luckily, when we moved to Paris, we were able to nurture the business out of our home there. When we returned in 2015, the regulations were updated, making it easier to run a home-based internet business and to register under TICO.

Most of TICO’s 2,400 or so registrants are small-scale retailers – many, as I understand, with fewer than half a dozen employees (we only have one). Collectively, these registrants contribute a significant amount of tourism-related economic activity in Ontario – either outbound or inbound – and are often located outside the major urban centres. It’s important that their perspective is reflected in the decisions taken by TICO’s Board of Directors. In the near future, the government of Ontario will be drafting the regulations under the new Travel Industry Act and we must ensure that any regulations reflect the realities of the small travel business in Ontario and are balanced with our consumer protection responsibilities.

● Which of TICO’s issues are of particular importance to you?

First, I am pleased that TICO is currently updating and modifying its regulations, and these are some of the issues that are important to me:

I am concerned with the structure of the Compensation Fund – how can it be built up, yet made more equitable, considering the size and nature of it? Québec, for example, works on a “user pay” system and its compensation fund is several times larger than ours – people buying through a Québec agency are significantly better protected than those buying through an Ontario agency.

Protecting non-Ontario residents is another issue that needs to be reviewed. Should TICO registrants be contributing to a plan that protects clients who are not necessarily Ontario residents? Online businesses can easily sell to clients in all parts of the world. In our own case, 95% of our clients don’t reside in Ontario. Although the Compensation Fund provides companies such as ours with a competitive advantage over other non-TICO companies, a decision needs to be made on how the Compensation Fund should work in relation to non-resident clients.

The final point I’d like to make is that the annual registration fees do not properly reflect the revenue differences between the small retailer and the large travel companies. The biggest travel companies in Ontario pay only six times more than what the smallest retailer must pay, yet their Ontario sales are likely many thousands of times greater.

Continued on page 7...

Fraud Alert

On December 21st, 2018, TICO issued a Consumer Alert concerning **Libia Ysabel Gerra Paez and Representaciones Neward Inc.**

Neither are registered with TICO, as required by law, to operate and sell travel services in Ontario. The individual operated out of two known addresses: 1104 Wilson Avenue, Toronto and 4 Robert Speck Parkway, Suite 1505, Mississauga.

Consumers were cautioned not to purchase travel services from this travel agency/individual after TICO received complaints from consumers who had not received travel services they had booked and paid for.

On the same day, TICO also issued a Travel Advisory cautioning all travel retailers and travel wholesalers about accepting bookings from the above named individual and company, on behalf of consumers. It appeared that this person was selling travel services and operating as a travel agent without TICO registration, contrary to **Section 4 (1) (a)** of the *Travel Industry Act, 2002*.

Reported incidents mainly related to all-inclusive packaged holidays to Punta Cana, Dominican Republic with future departure dates.

Whenever you are suspicious about a booking, TICO recommends that you ensure that the travel agency is registered with TICO (if located in Ontario) and/or contact the travel agency to confirm whether the travel agent attempting to make the booking is actually employed by that agency. ▲

Court Matters

CONVICTIONS

Ms. Karen Gushue was convicted on two counts of operating as a travel agent without registration, contrary to **Section 4(1)(a)** and **Section 31(1)(c)** of the *Travel Industry Act, 2002*.

Sentencing proceedings are scheduled to take place on April 12th, 2019.

REVOICATIONS

Between November 19th, 2018 and February 20th, 2019, one company had its registration revoked: **Universal Explorer Inc.**, Brampton. For further information on Charges and Convictions, [click here](#). ▲



Maintaining TICO's Education Standards

Anyone selling travel services or providing travel advice to the public for a retail travel agency in Ontario must, by law, meet the industry's Education Standards. During fiscal year 2017/2018, 6,298 exams were written: 5,610 Travel Counsellor exams; 184 Supervisor/Manager exams; and 504 Combined Travel Counsellor and Supervisor/Manager exams.

As at March 31st, 2018, 66,563 exams have been written since the launch of the Education Standards on July 1st, 2009.

Save the Dates

March 30 – 31, 2019



Shaw Centre
55 Colonel By Drive, Ottawa

Presenting TICO!



Richard Smart conducts a well-attended workshop at the recent Outdoor Adventure Show in Mississauga.

time. Since this time, the parent company declared bankruptcy. TICO has been receiving claims from affected consumers throughout the process leading up to the February 11th filing deadline. Many consumers were compensated through refunds provided by their credit card company while others are awaiting final approval for compensation through the TICO-managed Compensation Fund. TICO's Board will meet shortly to consider approval of consumer claims while we await Court proceedings to conclude, and a final accounting will be provided.

The new calendar year has been a busy one for TICO staff, particularly as late last year we moved into our new premises after more than two decades at our previous home. With the fiscal year nearly complete, our attentions will soon turn to our Annual General Meeting which is planned for Tuesday, June 25th at 5:00 p.m. at our new location. We hope you will join us! In the meantime, we are almost through this dreadful winter, and the warm days of Spring are soon approaching.

On behalf of all the staff at TICO, we wish you well for the coming Spring/Summer season and I look forward to reporting on TICO's full year performance shortly.



Richard Smart,
President and CEO



FIRST NOTICE ANNUAL GENERAL MEETING

TAKE NOTICE THAT the Annual General Meeting of the members of the Travel Industry Council of Ontario ("TICO") will be held at 5:00 p.m. on Tuesday, June 25th, 2019 in the Lounge (lower level), 55 Standish Court, Mississauga, Ontario, for the purpose of:

- (a) receiving the financial statements for the previous financial year, together with the Auditor's Report;
- (b) receiving and considering the Annual Report;
- (c) appointing the auditors for the Corporation and authorizing the Board of Directors to fix the auditor's remuneration; and
- (d) transacting such other business as may properly come before the meeting.

Only members in good standing are entitled to participate in and vote at the meeting. Members of the public are invited to attend.

Written notice must be received by the Secretary on or before May 10, 2019 of any motions to be made at the Annual Meeting.

Members who will not be attending the meeting are invited to submit written requests for proxies. Copies of the audited financial statements as at and for the fiscal period ended March 31st, 2019 will be available at the Annual General Meeting and may be requested in writing prior to the meeting.

DATED at Mississauga this 29th day of January 2019.

On behalf of the Board of Directors

Tracey McKiernan
Secretary

55 Standish Court, Suite 460, Mississauga, Ontario L5R 4B2
Tel: (905) 624-6241 Fax: (905) 624-8631 Toll-free: 1-888-451-TICO
E-mail: tico@tico.ca Website: www.tico.ca



Plan to Be There!

The Annual General Meeting is a great opportunity for registrants to come and hear, first-hand, about TICO's initiatives and other timely issues. This is your chance to ask questions and make suggestions to TICO's Board of Directors. TICO would be delighted to welcome as many of you as are able to attend. Please mark June 25th in your calendar and join us for an evening of information-sharing and discussion.

TICO's Registrant CODE OF ETHICS

The Travel Industry Council of Ontario strives to provide a fair and informed marketplace for consumers. TICO strongly encourages all Ontario registrants to comply with the following **Code of Ethics**, which targets the values and principles of TICO's objectives.

- Integrity: Conduct our activities with honesty, dignity and fiscal responsibility, always protecting and promoting our clients' best interests.
- Disclosure: Communicate material facts to our clients by supplying accurate and complete information in a clear and understandable manner that assists consumers in making informed decisions in their choice of travel services.
- Marketing: Refrain from using any form of misleading advertising or innuendo in marketing products and services.
- Cooperation: Cooperate with any investigation/inquiry by the Registrar or staff of the Travel Industry Council of Ontario to resolve any problems or disputes as soon as possible.
- Respect: Treat all people with equality and respect.
- Accountability: Fulfill all contractual obligations promptly and completely. Respond to legitimate complaints immediately. Maintain accurate and complete records of all client transactions and safeguard consumer monies.
- Compliance: Abide by applicable laws and regulations and never knowingly do business with those who operate outside those laws. Registrants are required to ensure that all employees and other sellers of travel associated with the Registrant are conversant with all aspects of the *Travel Industry Act, 2002* and the Regulation, and are familiar with this Code of Ethics.
- Competency: Maintain responsibility for the competency of all staff.
- Confidentiality: Treat every client transaction confidentially. Do not disclose any information without a client's permission, unless required to do so by law.
- Conflict of Interest: Be responsible first to clients and a client's best interests. Any commercial gain and/or preferred relationships between a Registrant and suppliers will at all times be secondary. ▲

Presenting Marc Patry, Director
TICO Board of Directors ... continued
from page 4

● Which TICO committees are you involved with?

I sit on the Government and Human Resources Committee. I think that evolving the Board's governance model, from a hands-on board to one that is more strategy- and policy-focused is a good move.

● Where do you hope to see TICO and the Ontario travel industry in the next five to 10 years?

I want to see TICO offering effective consumer protection with a sufficiently strong Compensation Fund to cover losses, within a system that does not over-burden smaller businesses. The trick is to balance consumer protection without choking business or discouraging the entrepreneurial spirit.

● Do you have any further comments for TICO Talk readers?

As we go through the regulatory review process, we have to pay close attention to the details, and small agencies need to contribute to those discussions. When the opportunity arises, it's key that they speak up. ▲

Ensuring Consumer Protection

During the fiscal year 2017/2018, TICO identified 125 unregistered sellers of travel in Ontario. Of those identified:

- 72 became compliant.
- 3 were referred to Investigations.
- 50 continue to be open files.

Upcoming Issues

In future issues of **TICO TALK** we plan to include:

- Update on the Annual General Meeting
- Update on Legislative & Regulatory Review
- Trade Shows and upcoming events

Copyright © 2019 Travel Industry Council of Ontario. All rights reserved. Contents of this newsletter may be reproduced in whole or in part provided the intended use is for non-commercial purposes and the Travel Industry Council of Ontario is acknowledged as the source on all copies. Some materials in this newsletter may be subject to copyright from an outside source and therefore there may be different restrictions on the reproduction of this material. This newsletter is published by the Travel Industry Council of Ontario and is provided to all *Travel Industry Act, 2002* registrants. The information provided in this newsletter is provided for general knowledge purposes only and is not intended to be legal advice.



Travel Industry Council of Ontario

55 Standish Court, Suite 460
Mississauga, Ontario L5R 4B2

Tel: (905) 624-6241
Fax: (905) 624-8631
Toll-free: 1-888-451-TICO
e-mail: tico@tico.ca
web site: www.tico.ca

Omnibus Survey Shows a Significant Upsurge in Travel... continued from page 3

Methods of booking

Perhaps not surprisingly, frequent travellers (defined as those who had booked five or more trips over the past two years) are booking more and more online. A total of 84% – up 4% from last year – of these respondents booked online with either a service provider only, or with a travel agency only, or in some cases with both a service provider and a travel agency.

Counterbalancing this, there was a significant drop in the number of frequent travellers booking in another way (generally in person or by phone) – from 25% in 2018 down to 13% in 2019.

Personal vs. Business trips

Online bookings with service providers and travel agencies were considerably higher for personal trips (65% of respondents) than for business trips (52% of respondents).

Those who booked in another way decreased significantly for both personal trips (down by 6% from 2018) and business trips (down by 7%).

A wake-up call

Awareness that TICO manages the Ontario Compensation Fund, and refunds consumers who do not receive the travel services that they paid for went down significantly, from a 38% awareness rate in 2018 to just 30% in 2019.

This underlines the importance of all travel sellers in Ontario promoting and reminding their clients about the benefits of booking their travel services through a TICO registrant. In addition to refunding money for services not provided, TICO plays a key role in repatriating consumers who are travelling during the failure of their travel provider. Those who did not purchase travel services through a TICO registrant have to fend for themselves in a very challenging situation, often far from home. ▲

TICO has moved!

Please make a point of updating your records. TICO is now located at:

**55 Standish Court, Suite 460
Mississauga, ON L5R 4B2**

All contact information remains the same:

**Tel: (905) 624-6241/1-888-451-8426
e-mail: tico@tico.ca.**

