

Take Full Advantage of TICO: GET INVOLVED!

Since the upcoming Annual General Meeting is barely a month away, now is the time to think not only about what TICO can do for you... but what you can contribute to TICO. This year, there is one position open on the Board, which is for a wholesale registrant.

Election Nomination Deadline Extended

As TICO did not receive any complete nominations for the one elected position on TICO’s Board of Directors by the required date, the deadline for nominations has been extended. Nominations must now be received at TICO no later than **5 pm, Eastern Time on October 29, 2010**. The Letter inviting Nominations and Nomination Form and Consent with the new deadline date can be found on TICO’s website or requested from TICO. Candidates may also use the original forms that were mailed to them.

Please note that nominees must provide TICO with a criminal record check as part of the nomination process. This can be obtained from some OPP detachments or most Municipal Police Services. Those interested in running for election are encouraged to get their criminal record checks as soon as possible in order to meet the nomination deadline. The nomination application must also include the signed Nomination Form and Biographical Information.

Since the nominations deadline has been extended, the election results may not be available by the Annual General Meeting on November 1, 2010. In the event that nominations are received, ballots will be sent out and voting will take place in November.

It cannot be emphasized too strongly: having active industry representation on the Board of Directors is key... to the healthy growth of Ontario’s travel industry.

Update on the Town Hall Meetings

Over the past year, three main topics were discussed at Town Hall meetings held around Ontario. The feedback from all who attended was both appreciated and helpful.

First, **Board composition**: as this is a complex topic with much to be considered, it requires further analysis, and continues to be reviewed.

Second, TICO continues to look at alternative ways of financing the Compensation Fund, including the possibility of a **consumer-pay** model: the Board’s Alternate Finance Committee is actively trying to find the best possible solution before TICO makes submissions to the government. This is a high priority work-in-progress. TICO’s goal is to enhance consumer protection in a cost-effective manner to all stakeholders. However, getting it right, from the start, is critical.

Third, **registering individual counsellors**: this idea met with substantial opposition. The intent is to establish what is fair, *Continued on page 3...*

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TICO BOARD OF DIRECTORS 2010

INDUSTRY REPRESENTATIVES

Jill Wykes - Chair
Senior Vice President, Human Resources
Thomas Cook Canada
Toronto

Mike Foster – Vice Chair
President
Uniglobe Instant Travel Inc.
London

Jeff Element
President
The Travel Corporation (Canada)
Toronto

Denise Heffron
Vice President, Commercial
Transat Holidays
Etobicoke

Thanushka Nanayakkara, CTM
President
NARAT Incorporated
Toronto, ON

David Shaw
President
Evans Intravel Inc.
Orillia

Scott Stewart
President
G. Stewart Travel Services Ltd.
Peterborough

Richard Vanderlubbe
President
Travel Superstore Inc.
Hamilton

Brett Walker
General Manager of Canada
Collette Tours Canada Ltd.
Etobicoke

Kathleen Warren, CTM
Senior Travel Consultant
Allison's Travel Agency Ltd.
Windsor

MINISTERIAL APPOINTMENTS

Patricia Jensen
Board Member
Consumers Council of Canada
Toronto

Shaher Bano Noor, C.A.
Managing Partner
Rosenthal Pervez & Noor LLP Chartered Accountants
Mississauga

Michael Janigan LL.B.
Executive Director and General Counsel
Public Interest Advocacy Centre
Ottawa

Dr. James Savary
Department of Economics
Glendon College, York University
Toronto

Maria Mendes, L.L.B.
Barrister & Solicitor
Mendes Law Firm
London, ON

EX OFFICIO

Michael Pepper
President and Chief Executive Officer
Travel Industry Council of Ontario

LETTER FROM THE CEO



Summer has now come to an end and TICO is focusing on the winter season ahead. The Board is busy looking at a number of important issues, including Board composition and alternate financing of the Compensation Fund. TICO is also revamping its website to be more engaging and user-friendly. As well, TICO is gearing up for an exciting Consumer Awareness Campaign, which will continue to promote the benefits of purchasing travel services through a TICO registered travel agency. We will be trying to get registrants more involved in the campaign this year, in an attempt to broaden our consumer protection message.

TICO's Business Plan and Annual Report are available on our website. I encourage you to have a look at the documents for more information on what TICO is currently working on and what TICO has accomplished over the last year. There is always a lot going on. This issue of **TICO TALK** includes information regarding some changes at the Ministry and changes on the Board. There is also a profile on Shaher Bano Noor, one of the Minister's appointees on the Board.

TICO is currently inviting nominations for one elected wholesale position on the TICO Board of Directors. That seat is currently held by Brett Walker, whose term will be expiring. I encourage wholesale registrants to consider running for election. TICO benefits greatly from the knowledge and experience of the industry members on the Board. Get involved! You can make a difference!

TICO's Annual General Meeting (AGM) is scheduled for November 1, 2010 at the Toronto Congress Centre on Dixon Road, near the Toronto Airport. I look forward to seeing you all at the AGM.

A handwritten signature in blue ink, appearing to read 'Michael Pepper'. The signature is stylized and fluid.

Michael Pepper

CEO



Notice to Members ANNUAL GENERAL MEETING

TAKE NOTICE THAT the Annual General Meeting (“AGM”) of the members of the Travel Industry Council of Ontario (“TICO”) will be held at 4:00 p.m. on Monday, November 1, 2010 at the Toronto Congress Centre, 650 Dixon Road, Toronto, Ontario for the purpose of:

- receiving the financial statements for the previous financial year, together with the Auditor’s Report;
- receiving and considering the Annual Report;
- appointing an Auditor for the next year following;
- announcing the results of the election for the open position on the TICO Board of Directors; and
- transacting such other business as may properly come before the meeting.

Notice was received by the Corporate Secretary from Simon Parry of Helen Thompson Travel of his intention to bring motions requesting information with respect to the following issues: Third Party Review of One Step Travel, Assessment of Consumer Protection against Financial Instability in the Travel Industry, Ontario Regulation 161/10, Trust Accounts and Commissions. A copy of Mr. Parry’s proposed motions is available on TICO’s website. TICO is willing to respond to the queries raised in Mr. Parry’s letter at 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.

The deadline for providing written notice of any motions to be made at the Annual Meeting has now passed.

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 31, 2010 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 September, 2010.
On behalf of the Board of Directors
Tracey McKiernan
Secretary

Take full advantage of TICO continued from page 1

recognizing that the industry’s business model is changing. With growing numbers of “outside travel counsellors” on contract to registered travel agencies, the best way to apportion registration fees needs to be decided. More research is required, and TICO will be looking to the industry for further feedback.

With so much at stake, the degree of your participation with TICO is fundamental to the future stability of Ontario’s travel industry... and your own livelihood. ▲

Changes at the Ministry

As recently announced by Premier Dalton McGuinty, **John Gerretesen** has been appointed Minister of the Ministry of Consumer Services, replacing Sophia Aggelonitis, who is now the Minister of Revenue and the Minister Responsible for Seniors.



Changes on the Board!

A very warm welcome is extended to **Michael Janigan**, who has been reappointed to the Board as a Ministry appointee. In addition to having previously sat on TICO’s Board of Directors from December 2003 to December 2008, Michael’s extensive experience as Executive Director and General Counsel of the Ottawa-based Public Interest Advocacy Centre makes him an extremely valuable addition to the Board, from which both TICO and the Ontario travel industry at large will benefit tremendously.



Handling consumer complaints

TICO dealt with 234 written complaints in 2009/10, compared to 342 in the previous year. In processing these complaints, TICO successfully assisted consumers in obtaining \$54,815.64 in restitution, compared to \$114,568.42 the previous year. In addition, TICO handled 2,634 telephone complaint inquiries and 343 email complaint inquiries. The most frequent types of written complaints received during 2009/2010 were:

- **Incomplete or incorrect information provided to the consumer by the registrant (i.e. information regarding the travel product or services being sold)**
- **Outstanding refunds**
- **Invoicing issues (i.e. not complete with required information or not provided to consumer)**
- **Customer service issues.**
- **Accommodation purchased by the consumer changed and not provided in destination**
- **Cancellation/Terms & Conditions**
- **Price disputes**
- **Misrepresentation of travel services by registrant in an advertisement or brochure**
- **Information/Documentation. Issues related to travelling with passports and other travel documents**
- **Incorrect ticketing/ticketing errors.**

PRESENTING

Shaher Bano Noor, CA, CFP, CPA (US), CMA (US)

Director

TICO Board of Directors



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



During more than twenty-two years of professional financial experience, working as a chartered accountant in both the public sector and private sector, I've had numerous clients in the travel industry. As I worked with them closely on setting up their accounting and financing systems, I became very familiar with TICO's compliance and regulatory needs from the registrant's standpoint. Since joining TICO's Board, I've undergone an interesting shift in perspective, because now I have to focus on consumer protection, and ensuring that registrants comply with the legislation.

Why is TICO important to you?



It is important to me as a consumer, and now as a consumer representative appointed by the government of Ontario. As a Board member, my mandate is to help oversee consumer protection and service. The importance of TICO providing adequate protection and earning public trust is critical.

Which TICO committees are you involved with?



I sit on the Audit Committee and on the Business Strategy Committee. As well, I'm invited to participate in the Alternate Finance Committee from time to time. Although it can be time-consuming, being on the Board is immensely rewarding. By accepting this responsibility, I hope to be able to contribute fully in providing leadership and expertise.

What do you consider to be TICO's main challenges?



One of the main issues is maintaining the Compensation Fund at an adequate level, and to make certain that it is constantly replenished. I believe we should increase the level of funding, in order to ensure that TICO is able to meet any unexpected failures, which can occur at any time. There have been a few failures in the last few years that have taken us by surprise. We have to know that we are able to handle this, especially when a wholesale operator ceases operating.

In addition, as today's travel industry evolves, particularly in the growth of its on-line presence, it's important to ensure that there is adequate consumer protection. That is why the work of the Alternate Finance Committee is so important. To maintain sufficient funds in the Compensation Fund, we have to look at different funding models, including a consumer-pay contribution. Considering the various models is a key responsibility at both the Alternate Finance Committee and Board level. I can't emphasize enough how critical this is.

Where would you like to see TICO and the Ontario travel industry five years from now?



I would like to see continuing efforts to broaden consumer protection, and having a sufficient level of funding available to meet all situations. Ideally we should have an integrated national regulatory system. Indeed, setting up a national Compensation Fund is a goal that TICO is striving towards, as part of its Business Plan, within the next five to ten years. However, as Canada is a federation of provinces and territories, with each operating separately, this poses a further challenge.

I would also like to see an increase in registrants' financial requirements. In my view, the entry barriers to becoming a registrant are fairly low, and more stability should be provided. To make change happen in this area, TICO has to work closely with the government to look at the Ontario travel industry as a whole, to see how long-term stability and consumer protection can be properly managed. We can have all the regulations we want, but if the underlying business model is weak, it's a problem – particularly as our system encourages free enterprise and entrepreneurship. However, there has to be a proper balance and reassurance of adequate consumer protection.

What are your overall impressions of TICO?



As a chartered accountant, I feel privileged to have the opportunity to be on TICO's Board of Directors. I was already well versed in the issues facing registrants, and am now enjoying being able to broaden my horizons. It gives me a great appreciation for how hard TICO is striving, on the consumer's behalf, to protect their travel plans and purchases. ▲

Looking into the future



Here, in a nutshell, are some of the main considerations that have been and will be reviewed by TICO's Alternate Finance Committee

- What should the Compensation Fund cover?
- What level should the Fund be maintained at to ensure adequate protection for consumers?
- Who should be contributing to the Fund?
- Determine a fair and workable method to assess contributions to the Fund.
- Should there be higher financial requirements for entry to the industry?
- Identify potential models for compensation by examining models from other jurisdictions.
- Conduct a comparative analysis of potential models against Ontario's current system.
- Identify best practices from the various models analyzed.
- Are the desirable aspects of those models workable for Ontario?
- Identify key areas of risk in registrant business practices. What steps could be taken to reduce those risks?
- Could fee reductions be used as an incentive to encourage registrants to meet higher standards and reward financially stable registrants?
- Should registrants be required to pay into the Fund on sales where no commission is earned?
- Should registrants be required to pay into the Fund if the transaction is not covered by the Fund?
- Should registrants be required to pay for end supplier failures?

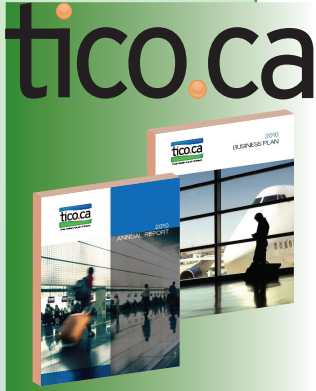
Business Plan and Annual Report

The 2010-2013 Business Plan and 2010 Annual Report have just been released.

Reinforcing TICO's efforts to go green, we strongly encourage registrants to download them from TICO's website at

www.tico.ca

Printed copies will be distributed at the Annual General Meeting on November 1, 2010. If you are unable to attend the AGM and would prefer to receive a hard copy, contact TICO directly, as there are some extra copies available that can be mailed out.



TICO Launches an Exciting New Campaign

Working closely with Larter Marketing and Communications, TICO is taking its **Consumer Awareness Campaign** to more ambitious heights than ever. Through a combination of advertising and public relations, the campaign will promote awareness of the benefits of buying travel services through a TICO registrant, and encourage consumers to visit TICO's revamped website.

Every corner of the province is being blanketed, partly by targeting many of Ontario's ethnic markets and community newspapers. To reap maximum benefit from the exposure, TICO is encouraging registrants to consider advertising in the publications in which TICO will be featured – editorially and through advertising.

Still in the world of print, between September 2010 and February 2011, TICO is advertising in **Zoomer Magazine**, a lifestyle magazine with a paid circulation of 180,000 and a readership of nearly 700,000.

Hitting the AIRWAVES

Beginning this fall, 30-second spots featuring travel tips from TICO are playing regularly on AM640's popular travel show **Planes, Trains and Automobiles** with Arlene Bynon. Also through to December, 30 second-spots will be heard on **Zoomer Radio AM740**, during the weekly show **From A Woman's Perspective** with Marilyn Wetston – and one of these shows will be dedicated to TICO.

A full-blown television advertising campaign will run from December through February. A series of 10-second, closed captioning ads will appear on Global, CTV, A Channel, CKVR, CFTO-TV Toronto and OMNI.

Taking over UNION STATION

A "Mini Domination of Toronto's Union Station" is to take place through January and February 2011. Anyone passing through the station will be bombarded with large, eye-catching ads on billboards, and 10-second spots will appear on all TV monitors within Union Station's digital network.

In addition, dramatic backlit posters advertising TICO will be prominently displayed along Toronto's underground downtown walkway, known as **The Path**.

To further amplify TICO's presence, TICO staff will converge on Union Station on Wednesday, February 2 to hand out information and eco-friendly tote bags.

Taking the promotion well beyond downtown Toronto, the ads will also be seen in every Go station throughout the GoTransit network. This will cover a huge chunk of southern Ontario, stretching from Niagara Falls to Hamilton, Kitchener-Waterloo, Barrie, Oshawa and Peterborough.

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Positive Survey Results

There was a significant increase in consumers' understanding of TICO's roles and services – from 65% in 2008/09 to 74% in 2009/10 – according to the online omnibus survey conducted at the end of the media run for the Consumer Awareness Campaign 2009-2010. There was also a 7% increase in consumer understanding – from 62% in 2008/09 to 69% in 2009/2010 – on the importance of purchasing travel services from a TICO registrant to obtain protection from TICO and the Compensation Fund.

Court Matters

► CHARGES

Jason Konstantos and Brent Wilson have been charged with four counts each of operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel Industry Act, 2002*. Jason Konstantos was previously convicted of one count of breach of probation, contrary to **Section 75** of the *Provincial Offences Act*. In addition, in January 2005, Jason Konstantos was convicted of one count of acting as travel agent without registration, contrary to **Section 3(1)** of the *Travel Industry Act*.

► CONVICTION

Caravan 4U Travel Inc. and Muhammad Moin Warsi were convicted on two counts each of failing to maintain trust accounting, contrary to **Section 27** of Regulation 26/05 of the *Travel Industry Act, 2002*. Muhammad Moin Warsi was convicted on three counts of acting as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Act*. Mr. Warsi acted as a travel agent before he had purchased Caravan 4U Travel Inc. He and Caravan 4U Travel Inc. were also convicted on two additional counts of operating as a travel agent without registration, contrary to **Section 4(1)(a)**. These additional counts relate to the company and Mr. Warsi operating as a travel agent after the registration of Caravan 4U Travel Inc. was revoked. The Ontario Travel Industry Compensation Fund paid out \$50,240 in claims to consumers after the registration of Caravan 4U Travel Inc. was revoked. Mr. Warsi was sentenced to 30 days in jail and is subject to a two-year period of probation during which he cannot be employed in the travel industry in any capacity without written permission from the Registrar, *Travel Industry Act, 2002*. Under the terms of probation, Mr. Warsi must also disclose his conviction to any potential employer if the employment is in the travel industry, which is regulated by the *Travel Industry Act, 2002*. Caravan 4U Travel Inc. received a suspended sentence.

With regard to David Thomas Gray, in a decision dated July 22, 2010, the Court of Appeal for Ontario upheld Justice Pockele's decision to convict David Thomas Gray o/a All Sport Accommodations for operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel Industry Act, 2002*. Mr. Gray's company, All Sport Accommodations, books hotel accommodations for sports teams. The Court of Appeal for Ontario found that as Mr. Gray and his company sells services to consumers as an agent, he is required to be registered as a travel agent under the *Act*. In October 2008, Justice of the Peace P. Hodgins, Provincial Offences Court, acquitted Mr. Gray of the charge of acting as a travel agent without registration. TICO appealed the decision and on July 30, 2009, Justice Pockele of the Ontario Court of Justice, overturned the decision of JP Hodgins and convicted Mr. Gray on the charge of operating as a travel agent without registration. On September 9, 2009, Mr. Gray was fined

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Dates to Note

October 14 – 17, 2010

Toronto Ski and Travel Show

Better Living Centre,
195 Princes' Boulevard
Exhibition Place
Toronto

October 30 – 31, 2010

Zoomer Show Toronto

Hall B, Direct Energy Centre
Exhibition Place
100 Princes Boulevard
Toronto

November 5 – 7, 2010

National Women's Show

Metro Toronto Convention Centre
South Building
222 Bremner Boulevard
Toronto

TICO will be distributing informational material at the above shows.

TICO TALK Feedback

If you have questions, comments or concerns on anything that you read in **TICO TALK**, or on any other matter that impacts the travel industry, please contact us. Your opinions are important to us.

We can be reached at
(905) 624-6241, or at
1-888-451-TICO,
or by e-mail to
tico@tico.ca.

Upcoming Issues

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

- Report on the Annual General Meeting
- Update on the Consumer Awareness Campaign

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A new look for www.tico.ca

By late fall, we hope you will agree that TICO's website has become more engaging and user-friendly. We have been working hard to make it a more intuitive process to navigate through the site. There will be a clearer distinction between the Consumer and Industry sections, and on the home page, an attention-grabbing box will be devoted to Latest News. And, taking the recent recommendation from the government to heart, the Consumer section will include much more information.

A specially created educational video within the Industry section explains the many ways that registrants can download TICO imagery – from logos to web banners, videos and other collateral – for their own use, in order to tie in and build upon TICO's Consumer Awareness Campaign.



To promote TICO's website, consumers will be encouraged during January 2011 to visit tico.ca/go where, if they identify the location of TICO the dog, they may win a dream trip.

Still on-line, it will soon be possible, when a consumer uses the search engine Google to look for certain travel information, that they will be directed to a customized landing page that promotes booking their travel with a TICO registrant.

Alongside all of these initiatives, TICO will continue to solicit interviews on TV and radio, and to send seasonal messages to major media in Ontario. This year's campaign is an exciting divergence from anything TICO has attempted before. Good as we believe it is, our efforts will be amplified many times with the full participation of registrants throughout the province. Please join us! ▲

Court Matters continued from page 7

\$500. Subsequently he appealed Justice Pockele's decision to the Court of Appeal for Ontario, and on July 22, 2010, his appeal was dismissed.

► REVOCATIONS

Between July 1 and September 3, 2010, five companies had their registrations revoked: **Portugal Travel Inc.** o/a Portugal Travel Club; **K Walsh & Associates Travel Services Inc;** **Wine Escapes Inc.** o/a Boutique Escapes, **Cruise Holidays International Concierge;** 1737830 Ontario Inc. o/a Ports of Call Travel Services, **Goports.com;** and **ITA Travel Agency.** ▲