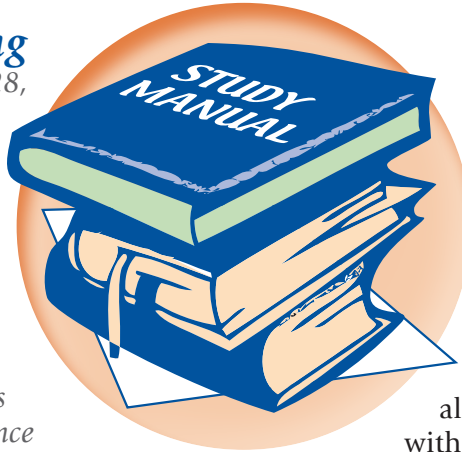


TICO'S EDUCATION STANDARDS:

Deadline for Passing Exam-July 1, 2009

The numbers are growing in leaps and bounds. As of February 28, 2009 4,580 people have taken the Travel Counsellor Exam, 48 have taken the Supervisor/Manager Exam and 426 have taken the combined Travel Counsellor/Supervisor/Manager Exam. Averaging out the three exams, there has been a heartening 92% pass rate. More than a third of the total taking these exams have from eleven to 40 years' experience in the travel industry, while more than half have worked in the business from less than one year to ten years (5% chose not to answer that question).



more than satisfactory, and the response on the overall difficulty is approximately what was expected, TICO is encouraged by the results thus far.

Interestingly, a significant number of those who have taken the exam are students studying travel and tourism. Some already hold down part-time jobs with travel companies and they want to be able to start working full-time as soon as they graduate.

Sign up now!

The deadline for taking the Education Standards exam is approaching fast. Anyone wishing to continue selling or providing advice for the purpose of selling travel on behalf of a registered travel agent **MUST** have passed the exam by **July 1, 2009**. To make the information on which the exam is based as accessible and available as possible, free downloads of the Study Manual can be obtained from both www.tico.ca and www.citc.ca.

Post-exam survey

As everyone who has taken the exams is aware, a post-exam survey on the exam's overall difficulty was conducted by TICO and CITC, to help assess what improvements should be made – if any – to the study materials. Since the pass rate is

Some will be 'grandfathered'

Please note that the person on record with TICO as the Manager/Supervisor of an agency, as of June 30, 2009, is not required to take the Supervisor/Manager Exam. However, that person must have passed the Travel Counsellor Exam.

The ultimate goal

A significant amount of time and effort has been invested in crafting the exams and the study materials, and in creating a straightforward, efficient system for every travel agent in Ontario to access the study materials and take the necessary exams. TICO deeply believes that by setting minimum educational standards, it is firmly establishing the professionalism of the province's travel industry – a key ingredient to its ongoing success through these challenging times. ▲

IN THIS ISSUE...

Letter from the CEO 2
 Report on TICO's Town Hall Meetings 3
 Presenting David Shaw 4

Consumer Awareness Campaign 5
 Court Matters 7
 Consumer Complaints: Faulty Disclosure 8

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EX OFFICIO

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

LETTER FROM THE CEO



The travel sector has definitely started to feel the effects of the poor economic climate. The good news is that consumers are still traveling although they may be looking for more economical destinations or for vacations with all-inclusive pricing. If you have not already done so, we encourage you to take advantage of TICO's Consumer Awareness Campaign to drive consumers to book their travel services with an agency registered in Ontario - your agency! In these tough economic times, use these marketing tools to give customers confidence that they will receive professional care and advice from your agency, as well as the protection of an industry-financed Compensation Fund.

TICO continues to see a slow decline in its registrant base. There were 56 agency closures in the three-month period from December 1, 2008 to February 28, 2009, compared to 47 closures for the same three-month period the previous year. New agency applications are also slightly down. There were 34 new agencies registered in the three-month period compared to 35 new registrations during the same period in the previous year. The statistics are as follows:

	December 2008	December 2007	January 2009	January 2008	February 2009	February 2008
Terminations	16	20	23	17	17	10
New Agencies	9	7	13	15	12	13

TICO will continue monitoring this trend and will be reporting on aggregate sales figures at its AGM in June.

TICO intends to conduct more Town Hall meetings. To make it easier for registrants to participate, webinars will be conducted. The timing of the meetings will be announced shortly, as will the discussion topics.

Just a reminder that TICO's Education Standards come into effect on July 1, 2009. If you have not yet taken the exam and need to do so, please contact the Canadian Institute of Travel Counsellors (CITC) to register.

Remember that TICO is here to help, so pick up the phone and call our office if you have questions regarding your obligations under the Act and Regulation, or if you require assistance accessing the Consumer Awareness Tool Kit, which includes the new TICO logo, web banner ads and an e-ticket stuffer.

Best Regards,

Michael Pepper
President and CEO

TICO's Town Hall Meetings: Informative and Productive for All

TICO held three open town hall meetings towards the end of last year, in London, Ottawa and Toronto. A number of excellent points were brought up for discussion and we would like to highlight a few of the issues.

Enforcing educational standards

At each of the meetings, concern was expressed regarding how TICO intended to handle travel agents who are not prepared to meet the Educational Standards by taking the Travel Counsellor Exam. As this requirement is legislated under the *Travel Industry Act, 2002*, TICO plans to administer and enforce the standard as it does with other legal requirements under the legislation. First, TICO will work with registrants to get them onside by insisting that employees to whom the legislation applies take the exam. It is the responsibility of the agency owner to ensure that all persons selling travel services or offering advice take the exam. TICO can propose to revoke a registrant's registration if the registrant persists in allowing frontline staff who have not met the educational standards to continue to book travel for consumers.



The wait for exam results

Some people felt that the turnaround time for obtaining results after writing the exams was too slow, considering the entire process is automated. Efforts are made to ensure that exam results are released as soon as possible.

Monitoring advertising in smaller publications, province-wide

Questions were raised on how TICO monitors advertisements in smaller-circulation, local and community newspapers around Ontario that have been placed by either individuals or companies that are not registered by TICO. TICO was also asked whether it relied on registrants to provide evidence of ads that were non-compliant. In fact, major daily newspapers throughout the province are monitored by TICO, and from time to time, some community and ethnic newspapers are also monitored. However, information provided by consumers and/or registrants in relation to travel ads that do not appear to comply with the legislation does indeed assist the Registrar in enforcing the *Act* and the *Regulation*, and TICO encourages registrants to provide such information.

Educating consumers

There was some very positive feedback on the current Consumer Awareness Campaign, with attendees endorsing TICO's efforts to educate consumers about the benefits of purchasing travel services from Ontario registrants. TICO confirmed that it intends to continue raising consumer awareness in Ontario. In mid-March, the campaign will be measured to ascertain whether awareness of TICO and its message has increased. Details will be reported in the next issue of **TICO TALK**. ▲



News from the board

The term of two Ministerial Appointees to TICO's Board of Directors – **Deborah Brown** and **Michael Janigan** – recently came to an end. TICO would like to extend grateful thanks and appreciation for their dedicated support and assistance throughout their respective terms. Mr. Janigan has been replaced by **Shaher Bano Noor**, C.A., Managing Partner, Rosenthal Pervez & Noor LLP Chartered Accountants, Mississauga, and we would like to welcome Ms. Noor to the Board. The Ministry of Small Business and Consumer Services has not advised who will be replacing Deborah Brown. TICO expects to be able to announce the name of the new Board member in the near future.

Going green

As part of an ongoing strategy to save paper – and money – TICO will discontinue printing **TICO TALK**, beginning with the next issue. Instead, registrants and other interested readers are encouraged to subscribe on-line at www.tico.ca (under News in the Registrant section). In addition to our quarterly newsletter, TICO plans to make the Annual Report and the Business Plan only available on-line.

www.tico.ca

- newsletter
- annual report
- business plan



Dates to Note

March 27 – 29, 2009

Toronto's Ultimate Travel Show
Metro Toronto Convention
Centre, North Building
255 Front Street West, Toronto



TICO will be distributing informational material at the above show.

Election Alert



Within the next few weeks, TICO will be inviting nominations for the elected retail/wholesale/marketing group position on the Board of Directors, which is for a three-year term. Anyone in a senior management position – who would like to take an active leadership role in the travel industry as a whole – is encouraged to consider running. Nomination forms will be sent out this spring, and will include a complete package of information on what is entailed in running for a position on the Board. The election will take place prior to the Annual General Meeting, and the result will be announced at the AGM, which is to be held on Tuesday, June 23, 2009 at the Toronto Congress Centre.

PRESENTING

David Shaw
Director
TICO Board of Directors



Were you involved in another profession prior to joining the travel business?

Q I worked with my family's construction and development company until I graduated from business school. For the next five years I worked as a senior marketing analyst with a large international process equipment company, specializing in the environmental aspect – specifically in mining, pulp and paper and metallurgical areas. I had to travel extensively and loved it. From that experience came my desire to work fulltime in the travel business.

What is your background in the travel business?

Q Twenty-five years ago, the opportunity came up to get into the industry – and although it meant taking a whopping pay cut, I have no regrets! I began with purchasing Evans Travel, in Orillia. When I joined them, the agency generated around half a million dollars annually. Since I knew nothing about the travel business, I learnt a lot, from the ground up. I also didn't realize, back then, that travel agents were more widely regarded as order-takers, and we became very aggressive order-getters. By presenting at consumer shows, and aggressively going out to drum up corporate business, we grew the business 20 times larger over the next three or four years. During that time we bought our major competitor, so we instantly acquired a huge chunk of the market share.

Q In order to learn the travel business I worked in all areas, from counsellor to manager, to running multiple agencies. When I became President of the Huronia Independent Travel Agents' Association, we had around 21 agencies. After merging with Travel T-Comm we had grown to 80 agencies. During my time as President of Travel T-Comm, we grew to over 250 agencies, and expanded outside of Ontario. Bringing Neil Winter in to take the reins of T-Comm was one of my high points. I count Neil as a good friend to this day. Travel T-Comm later merged with Advantage Travel. My company, Evans INTRAVEL Inc., continues to be member of the Advantage Travel Network, which has member agencies from coast to coast.

Some reminder from TICO's registration department

There are two particularly problematic issues that TICO's Registration Department is constantly coming up against.

Change of ownership: In a nutshell, the owner on record with TICO remains responsible for the entity until the new owner has been approved by the Registrar. **Section 15** of the *Travel Industry Act, 2002* provides that the Registrar must be notified in writing within 30 days after the issue or transfer of any equity shares, if the issue or transfer results in any one shareholder, or any associated shareholders, acquiring or accumulating beneficial ownership or control of 10% or more of the total number of all issued and outstanding equity shares of the registrant.

Renewals: Please note that registrants are required to renew their TICO registration no later than 90 days after their fiscal year end. Currently, at least one-third of registrants are submitting their renewals later than 90 days.



Have you been involved with other travel industry associations besides TICO, and if so, in what capacity?

In addition to the organizations above, I was selected by the province of Ontario as one of the overseers in reviewing Thomson Vacations' bankruptcy. I, along with others in the industry, was vocal at that time about the need for a more hands-on governing body to oversee our industry. It was not long after that process that TICO came to be formed.

When did you join the TICO Board?

I was elected to the Board in June 2007 by the registrants to fill the remaining year of a three-year term of one of the retailer positions. I was then re-elected for another three-year term in June 2008.

Which of TICO's various issues are of prime concern to you, and why?

One is the consumer's awareness of the additional security offered when dealing with a TICO registered travel professional. Consumer recognition of the value of solid professional advice, and the fact that registrants provide them with protection through the Compensation Fund, will lead to a healthier industry. Philosophically, we must be dedicated to ensuring that our industry remains healthy. One way, of course, is through overseeing financial compliance – but without overburdening registrants with requirements that inhibit their ability to be profitable.

This is a fine line to tread, but TICO must strive to set the right balance – protecting the consumer without over-restricting registrants. That is why it is important to have a mixed group of individuals on the Board, representing all sectors of the travel industry, to maintain that fine balance between the carrot and the stick!

Where would you like to see TICO in, say, the next five years?

I would hope that TICO becomes a household word for everyone in Ontario who travels. They should know what it stands for, and that their travel monies are protected when booking travel through TICO registrants. Consumer education is vital, which is why our current Consumer Awareness Campaign is key to achieving this goal.

As well, I hope that TICO becomes a player on the national scene, working to have every travel retailer and travel wholesaler in the country playing by the same rules.

Do you have a final message for TICO TALK's readers?

Indeed. Although we are heading into tougher times... continue to have fun! As an industry, it is something we are particularly good at! ▲

Update on the Travellers' Protection Initiative



For the past several months, a wide range of circumstances – from the breakdown of the global economy to the possible collapse of its own government – has been monopolizing the attention of Canada's federal government. Now, however, there is reason to be cautiously optimistic that the Travellers' Protection Initiative (TPI) may be gaining ground. It can be reported that the federal government is now seriously considering all-in price advertising for airlines. As well, there is a new Minister of Transport, John Baird, at the helm and the government is finally in a more stable position. Encouraged by these signs, TPI intends to continue pursuing its goal that air carriers be required to fully disclose the cost of airline travel – with the exception of provincial sales tax and federal GST – in all of their advertising.

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 very easily - at (905) 624-6241, or at 1-888-451-TICO, or by e-mail to tico@tico.ca.

Consumer Awareness Campaign: Next Steps

Following this year's Consumer Awareness Campaign, TICO is set to begin planning the campaign for the upcoming year. For the last six months, the overall message to Ontario's travelling public has been that consumers have a choice: they can either spend their hard-earned vacation dollars with a TICO-registered travel agent and have the protection of an industry-financed Compensation Fund OR they can book with someone else and risk losing their money and their vacation.

Hoping to build on past achievements in increasing consumer awareness of TICO, we strongly encourage all registrants to contact us if they have any comments, ideas or concerns about the campaign to date. Your feedback is very important. Two things came up time and again at our town hall meetings. One, registrants wanted to emphasize the professionalism of the industry in Ontario, particularly in light of the new educational requirements. Two, they felt TICO should stress that the Compensation Fund is financed by the travel industry, and not by the government and taxpayers.

We would also like to remind you, once again, of the importance of displaying a TICO window decal prominently, in order to let your customers know that you are registered with TICO. As well, please check out the Consumer Awareness Tool Kit on our website – www.tico.ca - under the Registrant section. You will find a wealth of helpful items to be downloaded, including the new TICO logo (which can be used on stationery, business cards, ticket jackets, websites, brochures, ads, invoices and even your e-mail signatures), web banner ads for your website to reinforce the message, and an e-ticket stuffer that can be sent electronically or by hard copy to your customers, to let them know you are a TICO registrant.

For the campaign to optimize its goals, it is crucial that registrants across Ontario work closely with TICO to ensure that our message

is delivered as effectively and proactively as possible. ▲



Susie Janko and Tina Shewchuk at the TICO Booth at the National Woman's Show.

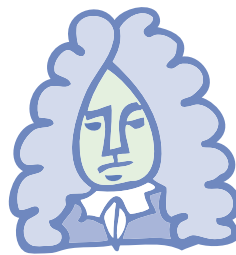
Court Matters

► CHARGES

Nugget Travel and Tours Inc., Moazzam Ali Khan, Arif Mohammed Javed and Ajaz Ahmed Khan have each been convicted of one count of acting or holding themselves out as being available to act as a travel agent without being registered, contrary to **Subsection 4(1)(a)** of the Ontario *Travel Industry Act, 2002*. The registration of Nugget Travel and Tours Inc. was revoked on November 3, 2008. The first court appearance is scheduled for March 12, 2009 at 9:00 a.m. at Old City Hall Court, Toronto.

Iftexhar Hussain was charged with one count of acting as a travel agent without registration, contrary to **Section 4(1)** of the *Travel Industry Act, 2002*.

John G. Pelosi o/a Tiger/Eagle Sports Functions has been charged with two counts of acting or holding himself out as being available to act as a travel agent without being registered, contrary to **Subsection 4(1)(a)** of the *Travel Industry Act, 2002*.



► CONVICTIONS

Jason Konstantos was convicted of one count of Breach of Probation, contrary to **Section 75** of the Ontario Provincial Offences Act. In January 2005, Mr. Konstantos was convicted of one count of acting as a travel agent without registration, contrary to **Section 3(1)** of the *Travel Industry Act*. At that time, Mr. Konstantos was sentenced to a two-year period of probation that included paying restitution to consumers in the amount of \$62,175.94. Mr. Konstantos failed to pay the total amount of restitution to the consumers, and was subsequently charged with Breach of Probation. With respect to the Breach of Probation conviction, Mr. Konstantos was sentenced to 20 days in jail. He is subject to a further 12 months' probation during which he is to pay the balance of the restitution to consumers in the amount of \$45,000. Monthly payments of \$1,500 per month are to commence in January 2009, and the remaining balance of \$27,000 is due on December 31, 2009.

Riverwatch Investments Inc. o/a Cruise Holidays of Brockville, Jean-Marc Belanger and André Belanger have each been convicted of one count of acting or holding themselves out as being available to act as a travel agent without being registered, contrary to **Subsection 4(1)(a)** of the *Travel Industry Act, 2002*, and two counts each of failing to maintain trust accounting, contrary to **Section 27** of Ontario Regulation 26/05. The defendants continued to operate as travel agents after the registration of Riverwatch Investments Inc. had been revoked under the *Act*. Jean-Marc and André Belanger were each fined \$2,500 and were sentenced to two years' probation that included paying restitution to TICO in the amount of \$22,000 each for

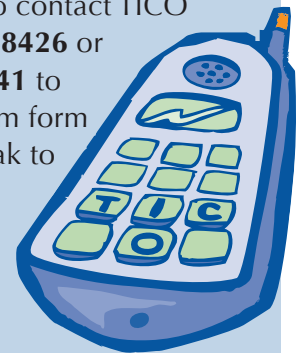
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Closing doors

College Travel Centre (retail) and Skyways International (travel wholesaler), located at 486 College Street, Toronto, voluntarily terminated their retail and wholesale registration under the *Travel Industry Act, 2002* on January 13, 2009. The company sold mainly air only and packaged holidays.

Travel agents and consumers that are already in possession of tickets/travel documents from either company should not be affected by the closure, and should receive their travel services. Likewise, consumers whose travel has commenced and who are currently out of the province should receive their return travel services without disruption.

Where possible, consumers affected by the closure and who have bookings with future departures are being contacted by TICO and notified of the closure and the process for filing a claim against the Ontario Travel Industry Compensation Fund. Travel agents and/or consumers with concerns or who may be at risk of not receiving the travel services purchased are encouraged to contact TICO at **1-888-451-8426** or **(905) 624-6241** to request a claim form and/or to speak to TICO's Claim Co-ordinator.



Upcoming Issues

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

- Update on the Consumer Awareness Campaign
- Progress of the Travellers' Protection Initiative
- TICO's election
- Update on TICO's Education Standards

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A Further Look at Recent Consumer Complaints: *Faulty Disclosure*

Satisfying the customer is the bottom line of most businesses, and the travel industry is no exception. During these difficult times, this becomes even more important if you wish to remain in business. Part of the intent behind our ongoing series that looks at recent consumer complaints is to demonstrate how certain actions (or inactions) lead to situations that cause a great deal of grief. In most of these cases, in addition to contravening the law, the registrant has lost one or more customers – and no doubt many potential ones, considering the power of word-of-mouth.

This time, we would like to focus on an area that continues to be a bone of contention. TICO is constantly fielding calls from unhappy consumers who were part of a group booking where each member of the group paid the registrant individually. Generally, the travel agent has informed the group's leader about the travel documentation required for their destination. However, this is not sufficient. The travel agent is obliged to provide information on all of the travel documentation required for each person travelling. It is not enough – and it is not allowed – to only disclose to one person and hope or assume that the information will be passed on to everyone else in the group.

Section 38 (1) of the Regulation states clearly that a statement, invoice or receipt must be promptly provided to a customer after selling travel services. Amongst the many categories of information that has to be included, the Regulation requires that advice should be 'given to the customer regarding the typical information and travel documents needed for each person for whom travel services are purchased.'

TICO urges all registrants to ensure that every employee selling travel is reminded of this requirement. ▲

Court Matters continued from page 7

a total of \$44,000, and the condition that neither can work in the travel industry in any capacity without the written permission of the Travel Registrar, *Travel Industry Act, 2002*. Riverwatch Investments Inc. received a suspended sentence.

➤ REVOCATIONS

Between November 3, 2008 and February 17, 2009, four companies had their registrations revoked: 1162775 Ontario Inc. o/a PGL Travel; 1349209 Ontario Limited o/a Mountain Bike Adventures; Canadian Universal's Travel Gallery Inc.; and Jay Lee o/a Orange Travel. ▲