

April – June 2019

REPORT ON THE 2019 CONSUMER AWARENESS CAMPAIGN

*T*ICO's **Consumer Awareness Campaign** encourages Ontarians to book their travel with a TICO-registered travel agency or website. Online videos, banner advertisements and social media posts highlight the benefits and protection available to consumers when travel is booked through a TICO registrant.

Last year, the Campaign reached new heights with its focus on digital advertising, and a strong message that reinforced the benefit of purchasing travel through a TICO registrant. One of the strategies was to target individuals who had visited travel websites that are not TICO-registered, reminding them to check if the website they were looking at is in fact registered with TICO.

Results highlights

- There was a 23% increase in unaided awareness of TICO amongst Ontarians who have travelled within the last two years, or who intend to travel. (When no description is provided to offer context or to prompt a respondent, this is known as unaided awareness.)
- The digital advertisements were seen more than 22.7 million times, resulting in nearly 40,000 visits to TICO's website – where consumers can



obtain more information about the benefits of booking with a TICO registrant.

- TICO's social media content was seen nearly 13 million times by 3.7 million unique users and received more than 450,000 engagements (through likes, shares and comments).
- Survey results show that people who saw TICO's videos and digital advertisements had a higher intent of using a TICO-registered travel agency or website in the future than before they saw the videos or advertisements.

Looking ahead

Over the coming year, TICO will continue focusing on a digital approach to drive consumers to TICO's website, where they can increase their knowledge of the benefits of booking with a TICO-registered agency or website. These efforts will be reinforced by an updated Registrant Toolkit in the months ahead, so that the travel community can help spread the word. More details will be announced in the next edition of *TICO Talk*. ▲

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MESSAGE FROM THE REGISTRAR



TICO's fiscal year concluded at the end of March, and a new year is always a time for reflection. For me, it's an opportunity to consider TICO's vision and the key elements that drive our organization: progressive regulation, consumer protection and establishing a trusted marketplace.

These are more than just words. It's incumbent on TICO, as your regulator, to embrace consumer protection while at the same time ensuring Ontario remains a vibrant marketplace for registrants to flourish.

This requires TICO to reach consumers in new ways, to modernize our systems and processes and to invest in our people to ensure they provide the absolute best service possible to you. The need to be forward-looking is key as we update legislation to reflect evolving travel market dynamics, while reducing unnecessary regulatory burden on businesses. This can be and must be accomplished carefully and intelligently while not sacrificing our core mandate of consumer protection.

Regulatory review

As many of you are aware, the Ontario government signalled its commitment to update the decade-old *Travel Industry Act* and bring it in line with the realities of today's marketplace.

With the oversight of our Board of Directors, and input from registrants and consumers, we recently began a rigorous and detailed collaboration with government staff to modify the antiquated regulation.

We are fortunate to live in a large and diverse province and enjoy the benefits of many different business models offered by registrants today. These diverse business models make the current regulatory update both vital and challenging.

I'm excited over the commitment of Minister Walker to see this regulatory update completed this year. The team of professionals both at TICO and within the government are equally committed to this goal. There will be further updates, consultations and opportunities to share your insights into this important initiative.



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Spotlight on Frequent Complaints

Each year, TICO handles nearly 2,000 complaint inquiries from consumers. For 2018-2019, the top three causes for complaints were:

- Outstanding refunds
- Failing to provide necessary disclosure
- Issues with information provided on travel documentation

To help registrants remain in compliance, we are delving into the causes behind each of these categories.

● Outstanding refunds

Outstanding refunds topped the complaint list last year as well. It's understandable that sometimes consumers feel impatient when waiting for a refund. Refunds coming from end-suppliers can sometimes involve a longer-than-expected process. And, if the refund doesn't appear on the consumer's next credit card statement, waiting another month can seem like a long time, particularly if a substantial sum of money is involved.



When it comes to refunds, communication and customer service are key. Often, being kept in the loop about timing and process will help a consumer feel that the refund is underway and that their travel agent is looking out for them.

● Failure to provide proper disclosure of required information

Complaints surrounding disclosure typically fall into these two areas: the travel agent did not fully explain the availability and importance of travel insurance or the terms and conditions around the sale of the travel services. Some complainants felt they were rushed through the explanations, and therefore unable to absorb all they were told. In other cases, it was an oversight by a travel agent, who simply did not provide the information.

Unfortunately, many consumers believe that their credit card covers trip cancellation and trip interruption situations, but this is not necessarily the case, and should always be verified by the consumer.

One element that consumers are generally vague about is trip interruption. For example, an unhappy consumer who had booked a flight with WOW Air had to pay several thousand dollars to return home. Although they received a credit for the unused portion of the WOW flight, the return flight costs at least double that. If they had purchased trip interruption insurance, it is more likely that the amount spent on the return flight would have been covered.

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An Upward Trend!

TICO's Registration Department recently completed its third Customer Service Survey (the previous two took place in the spring and fall of 2018).

Highlights include:

Helpful, courteous, knowledgeable and timely:
100% of respondents

Ease of understanding and completing registration application and/or renewal forms:
93% of respondents

Helpful information on TICO's website:
90% of respondents

Helpful checklist on the application form:
90% of respondents

Questions answered to their satisfaction:
97% of respondents

Overall satisfaction with the application and/or process:
100% of respondents

TICO uses the information in the survey, including the comments, to continuously enhance its services.

We want to hear from you!

TICO would like to learn more about how you read **TICO Talk** and how we can make it an even more valuable resource for you. Please share your feedback by completing our brief survey. [Click here](#) to get started.

Reminder: A smaller Board of Directors

Following TICO's Annual General Meeting, the organization will have a smaller Board of Directors. As the result of an extensive Governance Review conducted by TICO's Board of Directors, a motion was passed by the members at last year's AGM to reduce the Board of Directors from 15 to 11 individuals, as follows:

- Two named by ACTA;
- Two named by CATO;
- One named by the OMCA;
- Two elected by the registrant members; and
- Up to four appointed at the pleasure of the Minister of MGCS.

Reducing the size of the Board is consistent with other Delegated Administrative Authorities in Ontario and will help drive nimbleness, efficiency and cost savings.

The term served by Directors appointed by trade associations are to be **increased** from one to two years and will be staggered to ensure that only one appointment comes up each year.

Each new Elected Director will also serve for a term of two years, calculated from the date of the AGM at which they assume office. These positions will be staggered so that only one position is open each year, to ensure continuity on the Board.



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 25, 2019 in the Lounge (Lower Level) at 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.

The deadline for providing written notice of any motions to be made at the 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 for the year ended March 31, 2019 will be available at the Annual General Meeting and may be requested in writing prior to the meeting.

DATED at Mississauga this 21st day of May 2019.

On behalf of the Board of Directors

Tracey McKiernan
Secretary

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PLEASE JOIN US!

This year's Annual General Meeting (AGM) will take place at TICO's office complex at 55 Standish Court, Mississauga. The meeting will be held in the lounge on the lower level. The AGM is a good opportunity to learn first-hand about TICO's current initiatives and meet TICO's leadership and staff face-to-face.

The 2019 Annual Report and Business Plan will be released at the AGM. A limited number of hard copies will be available for those who attend, but you may also download a copy from TICO's website at www.tico.ca. Or, contact us at 1-888-451-TICO, or at tico@tico.ca to request a copy.



Promoting the benefits of booking with a TICO-registered agency or website

Our new, fully digital Consumer Awareness Campaign completed its initial rollout. After only a short time in the market, leveraging online and social media channels, we exceeded our targets with several notable measurements.

Our campaign focused on the “asterisk,” signifying the importance of paying attention to the fine details when booking travel. The core message was to book with a TICO-registered agency or website to ensure important details were not missed, risking travel plans being spoiled. You can read more about the campaign results in the cover article of this newsletter.

A look at TICO’s activities

Financially, fiscal year 2018/2019 was a successful year. As an organization, TICO exceeded budget expectations, with increased revenues and decreased expenses. Consumer claims, despite a significant registrant failure, were low by historical standards. We respect that registrants fund TICO, and our goal is to operate with a goal of enhancing efficiency and effectiveness. This will require innovation and investment consistent with a long-term plan. I look forward to sharing more with you at our Annual General Meeting scheduled at TICO’s new office complex on June 25, 2019. I hope you can join us.

In closing, while we are proud of our recent accomplishments, we recognize there is much more to do. The team at TICO is not only committed to our consumer protection mandate, we have the passion and drive to make a difference for both consumers and registrants. As always, the importance of working together to find balance and efficiencies has never been more evident as now. It has been an honour to serve as your Registrar for another year, and I’m excited about the year ahead.

I wish you and your families a safe and happy summer, wherever your travels may take you.



Court Matters

► CONVICTIONS

Derrell Caprietta was convicted of one count 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*. The Court ordered Mr. Caprietta to pay a total fine of \$3,750, which includes the Victim Fine Surcharge. Mr. Caprietta was also ordered to pay \$3,025 restitution to a consumer and sentenced to a one-year term of probation.

► REVOCATIONS

Between February 20 and May 1, 2019, one company had its registration revoked: **Millennial Leisure Travels Inc.**, Toronto.

For further information on Charges and Convictions, [click here](#). ▲



TICO Registrants: Please Confirm Your Email Address

To reduce costs and improve efficiency, TICO is moving toward a paperless environment. We have recently mailed a letter to each registrant to confirm the email address we have on file for your company.

Going forward, the email address on file will be used for communications for registration renewal, financial filing documents and letters from the Registrar or the compliance teams.

Please review the letter and return a signed copy to TICO by June 15, 2019.

If you did not receive a letter from TICO to confirm your email address, or if you have any questions, please contact **Margaret Campbell** at 905-624-6241 ext. 253 or registration@tico.ca. ▲



The lowdown on short-term accommodation rentals

With more and more companies engaging in short-term accommodation rentals, ensuring consumer protection is very important. Businesses that operate from Ontario and facilitate short-term accommodation rentals must be registered with either TICO or the Real Estate Council of Ontario (RECO), the regulatory body that oversees real estate agents.

A business could be registered with both TICO and RECO if it trades in real estate and provides travel services beyond short-term accommodation rentals.

It's key that the renter is covered by the consumer protection offered under the mandates of RECO or TICO, or both. If you are unsure whether a company is registered with TICO or RECO, you can contact TICO to verify.

For further information, [click here](#).



Real Estate
Council of Ontario



Travel Industry Council of Ontario

Industry News

Jet Airways

Headquartered in Mumbai, India, Jet Airways suspended all its domestic and international flights on April 17, 2019. To date, the airline has not ceased operations, nor has it declared bankruptcy. The airline has temporarily suspended its operations while continuing to seek funding to resume operations.



TICO has been contacted by both consumers and travel counsellors seeking guidance and enquiring what consumer protection is available in Ontario. As Jet Airways has not declared they have ceased operations and their support team is providing customers with refunds, there are no provisions currently for claims against the Compensation Fund.

Consumers who purchased Jet Airways travel services from a registered Ontario travel agency or website are being asked to contact their respective travel agency/travel counsellor for assistance with obtaining a reimbursement. If the situation changes, more details will be posted on TICO's website and an advisory will be sent to all registrants.

Closure Advisory

WOW Air

Headquartered in Reykjavik, Iceland, Wow Air ceased operations as of March 28, 2019. Wow Air operated flights from Toronto and Montreal to Iceland and various destinations in Europe.



Anyone who purchased Wow Air travel services from a registered Ontario travel agency or website and will not receive their travel services due to the cessation of the airline, may file a claim from the Ontario Travel Industry Compensation Fund for reimbursement.

A claim form against the Compensation Fund may be downloaded [here](#). Consumers may also contact TICO directly at 1-888-451-8426/ (905) 624-6241 or email tico@tico.ca to request a claim form.

Claim Deadline

Anyone who booked through a TICO-registered agency or website can file a claim until September 30, 2019.

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Consumers with future departures are advised to contact their travel agent for information or assistance with alternate travel arrangements.

Travel Industry Compensation Fund Payout

SINORAMA HOLIDAYS

A payment of \$249,490 from the Travel Industry Compensation Fund was approved by TICO's Board of Directors on May 28, 2019, to assist 135 consumers who did not receive travel services for which they had paid.



Consumers affected by the failure of Sinorama Holidays Inc. had until February 11, 2019 to submit claims to the Travel Industry Compensation Fund. All eligible claims have been paid out. TICO believes all affected consumers had their losses mitigated through payments from the Travel Industry Compensation Fund and through credit card refunds.

At the time of Sinorama's failure, TICO assisted 136 consumers with immediate departure and trip completion (repatriation) provisions, issuing payments of \$68,083.82 from the Travel Industry Compensation Fund. This included a payment of \$12,541.66 for trip completion to assist six consumers already in destination at the time of the failure, and a payment of \$55,542.16 to assist 130 consumers who had immediate departures to various destinations.

"It's unfortunate when a registered travel retailer or wholesaler ceases operations, but TICO is here to support consumers affected by the failure and to protect their travel investment," said TICO President & CEO Richard Smart. "While these situations are rare, they are a timely reminder that consumer protection and reimbursements through the Travel Industry Compensation Fund are only available to consumers who book with a TICO-registered travel agency or website." ▲

A Valuable Tool!

The TICO Learning Centre offers registrants and TICO-certified travel counsellors an excellent opportunity to develop or refresh their knowledge on the requirements of working under the *Travel Industry Act, 2002* and Ontario Regulation 26/05.

The Learning Centre offers both workshops and webinars that are free of charge. Some can be taken in-person at workshops held at TICO's offices, while others are offered via online webinars. The program runs year-round, with topics ranging from financial compliance to advertising, disclosure, invoicing, websites, and social media.

A full listing of upcoming sessions, which is updated regularly, can be found at [this link](#).

TICO Learning Centre



Upcoming Issues

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

- Report on the Annual General Meeting
- Update on Legislative & Regulatory Review
- Update on new Registrant Toolkit
- Update on Consumer Awareness Campaign

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Spotlight on Frequent Complaints... continued from page 3



Take the time to highlight the importance of travel insurance before each booking. While the choice to accept or decline coverage is up to the consumer, you're providing them with valuable information and showcasing the knowledge and experience that you bring to the transaction. Be sure to reflect the consumer's choice of having accepted or declined coverage in the invoice. This is a mandated requirement and helps to document the decision, should questions or concerns arise.

● Information/travel documentation

Many consumers in this category said that they had not been advised by their travel agent about what travel documentation was needed to enter a destination, such as visas, or passports with an acceptable expiry date. Sometimes the required information was on their invoice, but it was not offered to them verbally or in some other explicit way. Stating on an invoice that the customer must have a valid passport is not sufficient. Additionally, information around travel documentation must be provided for each person travelling on a booking and not just the individual making the booking on behalf of others.

Most travellers are excited when they book their trip and do not anticipate any problems, so it's very important that we, as an industry, are vigilant about giving consumers the information they need to obtain the required documentation. This ensures consumers can make an informed decision at the time of booking.

Generally, when the issue comes to TICO's attention, it's because someone has been denied entry to a destination. By checking the consumer's invoice, TICO can see whether the travel agent has advised about visa, passport and vaccination requirements, or not.



It's a requirement for you to advise each customer of the documentation requirements for their destination. That means asking the customer what passport they hold, and offering information tailored to that individual. With a country as diverse as Canada, it's impossible to assume that everyone is travelling with a Canadian passport.

● Then there's the baggage...

Although not included in the top ten, TICO's complaints officers report that they hear a lot about the airlines' baggage allowance. Numerous consumers were upset, saying that they had assumed the baggage was included in their airfare because their travel agent had not disclosed that there was a cost for the baggage on a particular flight, or that they had been given incorrect information on the baggage allowance. While this complaint is most often associated with online bookings, it's an important consideration when booking in person or over the phone.

To help travel agents ensure that nothing is overlooked, TICO developed a Booking Checklist, which can be [accessed here](#). ▲