
TRAVEL WEEKLY

THE NATIONAL NEWSPAPER OF THE TRAVEL INDUSTRY

They Fired United

Beginning two weeks ago, I started hosting a live interactive webcast called "TravelPeople: Conversations With Newsmakers" on Tuesdays at 2 p.m. Eastern time. My guests last week were Van and Brad Anderson, Co-Presidents of America's Vacation Center, the uber-host agency that had \$150 million in travel sales last year and is No. 49 on Travel Weekly's 2009 Power List.

I asked what would happen if their agency received a letter from United saying they were being cut off from the airline's merchant account. "We don't sell air," Van said. "We're ARC-appointed, but we don't sell air."

The certification is a leftover from when the business was a traditional brick-and-mortar agency. But over the past seven years, the Andersons shut down nine of their 10 physical offices and now host 150 independent affiliates. Business has never been better, they said.

During the webcast, they explained that when they changed their model, they decided to focus exclusively on cruise and packaged vacations, and they simply arrange air through whichever supplier they are selling.

Obviously, only agencies selling leisure exclusively have this option. I know another seller of travel who credits not selling air for a large measure of his success. Richard Turen, who writes our "Reality Check" column, hasn't ever written about his own business model, but in fact his approach is unconventional.

He positions himself as a travel adviser, not an agent. He encourages his clients to go to travel agencies to buy air and other travel "commodities" and tells them that he'll help them when they "are planning the trips that truly matter."

"I can't tell you how many clients take pride in the fact that we don't deal with the airlines," Turen wrote in an email. "When they introduce us to friends, they point out that we're not travel agents."

Turen went on: "We've never written an airline ticket. Why would I support a business that seeks to commoditize our industry and put my friends out of business? Air is either done by suppliers, by the client using miles or by our marketing group. [His firm, Churchill and Turen, is a member of Virtuoso.] We advise on air matters and tell them which source to use. We do this without any vested interest in commission, a fact not lost on our clients.

"I know that many on the Travel Weekly Power List make money on airline ticket overrides. I know there are many great business travel firms whose entire model is devoted to the sale of airline tickets. But once you have the 'plate,' you become the airline's slave.

"We don't win awards on volume, but our two full-time employees [Turen and his wife, Angela] have sales of well over \$2 million per consultant. Our industry needs to make the transition from



Travel Weekly
July 13, 2009
By: Arnie Weissmann
Circulation: 44,029

TRAVEL WEEKLY

THE NATIONAL NEWSPAPER OF THE TRAVEL INDUSTRY

travel Coke machine to trusted adviser. That's the road we've been on for the past 23 years, and I have to tell you, it's a pretty lonely stretch of highway."

Incidentally, since 2000, Churchill and Turen has won more "World's Top Travel Specialists" awards from Conde Nast Traveler than any other firm.

I don't think forgoing air sales has hurt them one bit.

