



Key Take Aways | 26 MAY 2021

TRANSPORTATION

- Masking for bussing is no longer federally mandated
- Gas Surcharges (diesel & regular) – are not being seen yet, however, if prices go up there is an expectation that transportation companies will pass along as surcharges
- Shortage of Drivers – during the pandemic drivers started driving big rigs/delivery trucks (Amazon) and are making decent money – transportation companies need to find ways to incentivize drivers



Best advice? Plan ahead for transportation needs.

AIRLINE UPDATE FROM DELTA



- Last 15-18 months have been essential travel (for the most part).
- Corporate travel is only at 25-30% of pre-pandemic levels. Hope is for 60-80% by the end 2021.
- The domestic network is strong and routes continue to be added as travel needs increase.
- International flights will continue to vary based on restrictions in individual countries based on COVID case numbers.
- Throughout the pandemic, Delta has partnered with health experts to provide a safe travel environment for customers. Many protocols have been lifted, middle seats, beverage/snack service, etc. However, masks are currently still required.
- No change fees returning! – there will continue to be enhanced flexibility for scheduling flights.
- Delta has a corporate program for booking travel - accessible through website or calling an agent.

CALIFORNIA UPDATE

- California Convention Centers open with no restrictions on 15 June (large mega events can have a daily attendance of 5,000 currently) – individual cities/counties/businesses can make their own restrictions.
- Oversight of restrictions falls under CAL-OSHA.
- Anaheim CC has been operational throughout the pandemic and have retained minimal staffing as needed. They have conducted pulse checks with vendors and 80% have indicated they will return.
- Hotels are opening at the rate required as business and leisure travel picks up.
- Trade show pick-up starting in August (with diminished footprints/diminished support/international attendance not expected).
- Catering cost increases – due to many factors including lack of products/production and transit in getting supply to market are impacting pricing (ex: coffee and cleaning supplies).
- Food prices are expected to increase 1% in 2021 and 3% in 2022 (produce prices are low right now).
- Lease Agreements – More language is being included (pandemic vs. epidemic), (illegal, impractical, impossible are terms being used in Force Majeure clauses), transparency is important now more than ever and multi-year leases might save costs in the long-run.
- Insurance Premiums – Shared risk premiums are soaring and will continue until things stabilize.
- Labor – Most likely will be strained until more events ramp up and government subsidies for unemployment goes away.



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