



PRESS RELEASE
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Leading travel firm calls for decisive action on customer protection

Travellers in Scotland are concerned that the current economic climate may lead to more travel companies going bust, and are crying out for clear guidance on this issue according to leading independent travel company Travel Counsellors.

This follows the recent collapse of Cambuslang Travel last week, which has left hundreds of holiday makers worried that they may have lost their holidays. There were 1,000 forward bookings with the company and it has come to light that customers who booked overseas dynamic packages with the agency may not be covered since the company did not hold its own ATOL.

“There are many customers who think that what they have booked is covered, only to discover that certain elements are not financially protected. Or who have belatedly discovered that because they have not paid by credit card they are unable to claim money back,” says Travel Counsellors Chairman David Speakman. “We need the travel industry to take the next logical step on this issue and that is to bring in financial protection for anything the customer may want to book, with no strings attached.”

The Air Travel Insolvency Protection Advisory Committee (ATIPAC) recently reported the rate of travel company failures has near doubled in the past year, with refunds to consumers at record levels. At the same time, record numbers of holidaymakers are travelling abroad without financial protection. Cambuslang’s collapse follows a series of other failures within the industry such as Freedom Direct, XL Leisure Group and Zoom Airways at the end of last year, which saw thousands of passengers lose their money due to lack of financial protection.

Travel Counsellors points out that the CAA’s ATOL scheme provides excellent protection but only if the holiday bought is actually ATOL protected. ATOL is not all-encompassing as it only covers charter flights, air package holidays and scheduled flights booked through a consolidator. Many customers require tailor made travel arrangements which may not be covered by ATOL protection. Travel Counsellors argues that customers should receive all-encompassing travel protection for any arrangements they want to make, not just ATOL protection for package holidays. ABTA also no longer guarantees financial protection.

Travel Counsellors aims to make this issue as straightforward as possible for its customers. The protection offered by the company through its own Travel Counsellors Trust Fund since 2004 is completely free of charge and covers anything the customer chooses to book including hotels, low cost airlines, scheduled flights and car rental. It covers all bookings irrespective of when they were made, departure date or value.

Mr. Speakman adds: “Having designed something four years ago to ensure our customers receive flawless financial protection we encourage other travel companies to put their customers first and do the same. The industry also needs to bring clarification to the customer, as so many seem unclear as to whether or not they are covered when they book their holidays.”

Travel Counsellors customers not only receive their money back in the event of a supplier collapse, but benefit from having their own personal travel expert putting in place alternative travel arrangements for them.



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About Travel Counsellors: Travel Counsellors is the world's largest home-based travel company with turnover at the end of its last financial year (Oct 31 2008) of £245 million, a 16% increase year on year. Founded in 1994 it currently has over 1,000 travel consultants who work from home with the support of over 200 staff at the company's UK headquarters in Bolton and overseas offices. The company operates in the UK, Ireland, the Netherlands, South Africa, Australia, Canada and the US. In the UK, the Travel Counsellors Trust financially protects everything booked by the customer free of charge. Travel Counsellors was the winner of the prestigious Queen's Award for Enterprise in 2003-2008, the technology category of the 2005 CBI Growing Business Awards and was voted Travel Agent of the Year by readers of the Guardian, Observer and Guardian Unlimited in 2006 & 2007.

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