



## Frequent Flyer news released on October 15, 2008

Continental will lower the elite bonus for Silver and Platinum members by 25 percentage points on 01 January, to 25% and 100% respectively (Gold members remain unchanged at 100%) in its **OnePass** program. The program will give away an important advantage like that. To be fair, it should be added, however, that this gets OnePass to the usual level of other US programs and when compared to US Airways, which hasn't been offering any elite bonus anymore at all since August, things look less dramatic. Also applying another market tendency, albeit not really a nice one either, no more minimum miles will be granted anymore on Continental and most partners as of March 01, 2009. Elite members continue to receive 500 minimum miles, however.

Brussels Airlines will be taken over by Lufthansa in two steps and also join Star Alliance. Although nothing has yet been announced officially, it can be assumed that it will also end its **Privilege** program and merge it into **Miles & More**. A danger for outstanding miles should not exist thereby, except for the fact that award flights within Europe are far more expensive with Miles & More than with Privilege. It is probably also safe to anticipate that Brussels Airlines/Lufthansa will explain as always in such situations (cf. Swiss etc.) that everything will get better for frequent flyers with the program merger - and this time, it would even be true. Better news for Star is the announcement that Brazilian carrier *TAM* will join the alliance in 2010, ending a long period of hesitation.

Usually, the purchase of miles and the transfer of miles between accounts respectively don't make much economic sense in most cases due to the related costs. That's why one should also stress the exceptions: A bonus of 100% is granted for transferring miles between different accounts in Delta's **SkyMiles** program through October 31. With costs of 1 US cent per mile transferred plus a transaction fee of 30 US\$, one can, for instance, transfer 12,500 miles from one account for 155 US\$ and the recipient receives 25,000 miles - enough for an award flight within North America or Europe. Transfers are limited to 30,000 miles per transaction; moreover, there are also annual caps for outgoing and incoming miles per account.

After SriLankan launched its own Frequent Flyer Program **FlySmiLes** in spring, which looked suspiciously like the one of its former partner Emirates, and after there was even speculation about a possible FFP tie-up with Emirates, the two are now likely to go separate ways for good. A strong indication for this is the latest partnership between FlySmiLes and *Etihad*, which is likely to close all the doors for SriLankan at Emirates. At the latest after July's order of 100 aircraft, including 80 long-haul aircraft, Abu Dhabi-based Etihad is also taken seriously as competitor by Emirates, based 100 miles away in Dubai.

Stays at Starwood are not only rewarded by bonus points or free nights between October 01 and December 31 for members of the **Starwood Preferred Guest** program, but members can also define their own objective and are rewarded according to their choice upon attaining it, for example by 25,000 bonus points for 10 stays or 20 nights. A registration for this promotion is required by November 15.