

TICO's Education Standards go "LIVE"



or the Supervisor/Manager Exam can access the online registration form. In addition, those wishing to become a Proctor will be able to complete the Proctor Application Form online as well.

The introduction of TICO's Education Standards Program in 2009 was one of the most significant of TICO's achievements.

The numbers alone are impressive. Since 2009, 39,266 individuals have taken and passed their respective exams, as follows: 34,828 travel counsellors, 1,390 supervisor/managers, and 3,048 individuals who have written the combo Travel Counsellor-Supervisor/Manager Exam.

The mandatory exams have injected a high level of professionalism, inspiring pride and confidence among everyone in Ontario's travel industry. As importantly, by setting these education standards, consumers now have every reason to be confident that their travel dollars are protected when purchasing travel services from Ontario's travel registrants. ▲

Ontario travel agents are **FANTASTICO.**

It became easier than ever to register for TICO's exams in September. As announced in the last issue of *TICO Talk*, TICO took over the administration of the Education Standards Program from the Canadian Institute of Travel Counsellors in July 2013. At that time the process to register for writing the exams was manual, but TICO worked hard to establish an automated process as soon as possible.

The entire application process is now fully automated and available at www.tico.ca.

Anyone wishing to write the Travel Counsellor Exam

IN THIS ISSUE...

Letter from the CEO	2	Administrative Monetary Penalties	5
Conversation with Michael Pepper	3	Court Matters	6
Presenting Ray DeNure	4	TICO's Seminar on Accounting	7

TICO BOARD OF DIRECTORS 2013/2014

INDUSTRY REPRESENTATIVES

Coralie Belman, CTM
Certified Travel Manager
Coralium Consulting
Toronto

Ray DeNure
President
DeNure Tours
Lindsay

Jim Diebel
President
Hanover Holiday Tours Limited
Hanover

Jeff Element
President
The Travel Corporation (Canada)
Toronto

Louise Gardiner
Senior Director, Leisure Travel - Canada
Carlson Wagonlit Travel
Toronto

Daryl McWilliams
Vice President of Business Development
Sunwing Travel Group
Toronto

Thanushka Nanayakkara, CTM
President
NARAT Incorporated
Toronto

Paul Samuel
Manager, Overseas Travel Division
Vision 2000 Travel Group
Toronto

Richard Vanderlubbe – Vice Chair
President
Travel Superstore Inc.
Hamilton

Brett Walker
General Manager, Canada
Collette Vacations
Mississauga

MINISTERIAL APPOINTMENTS

Michael Janigan, J.D., LL.M. – Chair
Special Counsel,
Consumer and Regulatory Affairs
Public Interest Advocacy Centre
Ottawa

Jean Hébert,
Senior Consultant
Raymond Chabot Grant Thornton & Co
Ottawa

Patricia Jensen
Member
Consumers Council of Canada
Toronto

Shaher Bano Noor, CA
Managing Partner
Rosenthal Pervez & Noor LLP
Chartered Accountants
Mississauga

Dr. James Savary
Department of Economics
Glendon College, York University
Toronto

LETTER FROM THE CEO

I will be retiring next summer and I have been reflecting on the past and looking to the future. Many changes have occurred in the past 16 years, since TICO was formed, which have influenced the way that business is conducted. Electronic commerce continues to evolve. Keeping up with new technology is important as we move forward. Major consolidation has resulted in a handful of large package tour operators. The move to direct, on line booking and dynamic packaging is happening before our eyes. Consumers are making travel choices “on the move” and have more options at their fingertips when making decisions.

In my view, the landscape will change even more in the next few years as technology further evolves. Adapting to change is paramount to the success of any business. Sales of leisure travel have increased year over year and this is bound to continue as destinations throughout the world become “closer” and more readily accessible and affordable to consumers.

My role, first and foremost, has been to make sure that the *Travel Industry Act, 2002* provides protection for the consumer. However, in achieving that goal it is also important to maintain a level playing field for the participants in the travel industry. It is a difficult balance at times, one that requires thought and careful decision making. Knowing when to apply the “big stick” and when to work with agencies to achieve compliance can be tricky. I have strived over the last 16 years to maintain that delicate balance.

There is still much work to be done to enhance how TICO self-manages the industry. TICO tries to ensure that consumers understand the benefits of dealing with Ontario travel agencies. We want the requirements that you must meet to be a professional advantage that you can brag about to your customers. We want to work with you, to build a strong industry in which consumers can have confidence.

I will continue sharing my thoughts and views in the next few issues of *TICO Talk*, before I head into the sunset. In the meantime, I hope that you are having a successful year and I wish you a safe and happy holiday season.



Michael Pepper,
President and CEO



A Conversation with Michael Pepper:

Looking back... anticipating the future

The recent announcement of the July 2014 retirement of TICO's president and CEO Michael Pepper has triggered much reflection among the countless people that he has worked closely with since the establishment of TICO in 1997. Being at the helm of TICO over the past 16 years, Michael has played a major role in the professionalization of Ontario's travel industry, increasing consumer protections, and providing an effective and efficient regulatory body.

As TICO's board of directors commences the process to choose his successor, it seems timely to learn a little more about Michael's perspective on what has been accomplished by TICO, and what lies ahead for him.

TICO has progressed so much since its inception in 1997. Which of its achievements are you especially proud of, and why?

Improving the industry's financial standards has been the most important achievement. By setting higher standards on issues such as working capital and trust requirements, we now have a much healthier, more stable industry. We're seeing far fewer failures and increased consumer protection.

Launching the Consumer Awareness Campaign is another significant achievement. One of the reasons it has worked so well is that it has effectively raised awareness of the *Travel Industry Act* within the industry itself, as well as promoting the message to consumers.

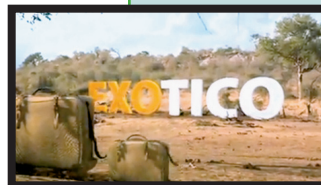
I'm also very happy with the unquestionable success of TICO's Education Standards Program. We had toiled over this since TICO's inception, and it basically took eleven years of very hard work to implement. There's no question that it has raised the bar on travel industry standards in Ontario.

A big reason behind all of TICO's achievement are its board members. They've made a huge contribution from the very beginning, by being very engaged. They could always be counted on to provide excellent support. Running TICO is not a one-man show – it's teamwork that involves board support and a tremendous staff. I've been incredibly lucky to have so many

Continued on page 4...

The Push Continues

Building on the success of the roundtable discussions conducted with frontline travel agents (reported in the last issue of **TICO Talk**), eight more sessions were held during November – in London, Ottawa, Kingston, Toronto/Mississauga, Sudbury, St. Catharines and Ajax/Ottawa. Each session comprised a maximum of 15 participants. The intent was to assess their understanding of TICO, its role in the industry, and to learn their perspective on the current Consumer Awareness Campaign. The way that TICO promotes the industry and travel agents to the public via the mainstream media has been greatly influenced by the input received from participants at previous TICO roundtables.



The current campaign features a television commercial, **“Wild Suitcases”**. Besides being an attention-

grabber, the lively commercial promotes the professionalism, knowledge and integrity of Ontario travel agents, as well as the consumer protection benefits of booking with Ontario travel agencies, which has been the focus of previous campaigns. Consumers were also targeted throughout November, with TICO's commercials running on **A Woman's Perspective**, the weekly radio program on AM740.

Improving and expanding on the campaign was just one of the topics covered during the roundtable discussions, which will be reported on more fully in an upcoming issue of **TICO Talk**.

Changes to The Board

A warm welcome is extended to **Brett Walker**, General Manager, Canada Collette Vacations, who has rejoined the Board as a representative for CATO. With nine previous years as a TICO Board member, we are delighted to be able to benefit, once again, from his experience and insight.



*A Conversation with Michael Pepper
continued from page 3*

very good people working at TICO for many years.

Another key reason behind TICO's achievements is the fact that we've always maintained good relations with the government, with the travel industry and other stakeholders, and with the media. It can be a delicate balance; for example, sometimes it's necessary to apply a heavy regulatory hand, while still working closely with the industry.

Continued on page 6...

PRESENTING

Ray DeNure
Board of Directors,
TICO



When did you enter the travel business?

I had been working as a CA with a firm (now Deloitte) in Toronto, and then spent a year travelling in a VW van with my wife in Europe. In the fall of 1985 I was asked to return to Lindsay, ostensibly to help the family business with the installation of a new reservation system – and I've been there ever since. My father's family has been in the bus business – mainly school and commuter buses – since the 1930s but as my father was interested in geography, history and travel, he got into the tour business in the 1960s.

What have been the main changes you've seen in the industry, particularly from a motor coach operator's perspective?

My firm is really a tour operator, and we must evolve with the consumer. Consumers' travel requirements have changed enormously over the last 25 years, and it's still evolving. From a motor coach perspective, vehicles are more reliable, more comfortable, cleaner, and easier to maintain. Like the consumer protection focus of TICO, there have been steady changes in the regulations around motor coach operations with respect to consumer safety.

Have you been involved with other travel industry associations?

I was involved with TICO from its inception up to 2003, and I've always been connected with the Ontario Motor Coach Association. We're members of the American Bus Association and the United Motorcoach Association, but I don't participate at their board level. I've sat on unrelated (non-travel) boards here in Lindsay.

Which of TICO's committees do you sit on?

So far I'm involved with the Compensation Fund Committee, the Audit Committee and the Selection Committee, which has been established to participate in the recruitment of the new CEO.

Which of TICO's issues are of prime importance to you, and why?

There are two issues. The first is ensuring that TICO continues to operate smoothly, given the retirement of our President and CEO

in the coming year. TICO's staff have always done an excellent job and we want to make sure that continues.

Ensuring that tour operators in Ontario are properly registered is the second issue. My seat on TICO's board belongs to the Ontario Motor Coach Association, and I sit at the pleasure of the tour operator members of the OMCA.

A valid and ongoing concern to those members is competition from unregistered operations, which means that some consumers are not getting the protection afforded by the legislation. Registered operators assert that their unregistered competitors – for example, a bicycle shop offering cycling trips to France – maintain an unfairly low cost structure, and the registered guys then have trouble competing.

However, while the concern of a special interest group is important, TICO board members have to balance the needs of their constituents with their real role on the board, which is a fiduciary duty to the corporation (i.e. TICO). I must conduct myself with all interests in mind, not just those of OMCA members.

What are the key challenges faced by TICO?

One of the main challenges is the need for the underlying legislation and regulation to evolve, to fit an ever-changing environment. For example, the rapid expansion of internet use has enhanced the do-it-yourself travel business, when it comes to both research and travel bookings. In addition, it's allowing travel agents to sell travel from home offices, but they still have to ensure the clients' monies are deposited into a trust account. Protecting the consumer means protecting their money.

Another challenge is for TICO to continue carrying out its responsibilities in a cost-effective manner.

Where would you like to see TICO in, say, five years' time?

The education standards that TICO introduced have been very good for the industry, and having more professional development opportunities would be great. I've heard several industry leaders comment that they've seen a noticeable increase in the self-esteem and confidence of travel agents. The exam is boosting their sense of professionalism, which is very important. It removes the perception that "anyone can sell travel".

Is there anything else that you would like to share with TICO Talk readers?

I'm involved with TICO partly because I like to contribute to the industry. There are a lot of reasons to help out, but the ability to meet others in the industry is definitely advantageous. At DeNure Tours we see ourselves as tour operators, not motor coach operators, so we have much in common with TICO's other tour operator registrants and benefit from working with each other. ▲

Administrative Monetary Penalties

The Ontario Ministry of Consumer Services has issued a position paper on Administrative Monetary Penalties (AMPs) and is seeking feedback from businesses and the public on how the proposed use of AMPs in areas overseen by the Ministry – including the travel industry – might be adopted more broadly to enhance consumer protection and public safety in Ontario.

The purpose of an AMP is to promote compliance with legislative and regulatory requirements. It can be positioned as an intermediate penalty situated between a simple warning and prosecution in a court of law or the suspension of a business licence or registration (for example, in the travel and real estate industries). The issuing of an AMP would not result in a criminal record or imprisonment; however, it would provide an additional option for addressing situations of non-compliance. The intent is to create a tool for promoting compliance, not to punish.

TICO has posted a link to the Consultation Paper on its website, under News at www.tico.ca. The Ministry is strongly encouraging those working in any of the sectors that may be affected to provide feedback on its proposal, by following directions on the regulatory registry at www.ontariocanada.com/registry, by December 12, 2013.

Do you have some words of wisdom for the future leadership of TICO?

That really depends upon the experience of whoever takes over my role. One big challenge is applying the legislation both fairly and proactively. Decisions can have significant economic impact on the industry, so very careful consideration is required. Factors that have to be taken into account include people's livelihoods, issues around competition, and consumer protection. Nothing is black and white any more.

Whoever does replace me will face more changes as the world advances with e-commerce. The issue of self-regulation vs self-management has been on the back burner for TICO. But the industry has proven to be mature and responsible and the time may now be right to advance this with government. Trying to establish common standards across the country and globally will be a challenging and lengthy process but something that certainly has to be tackled.

Do you have anything more that you'd like to share, at this point, regarding your own future?

I don't have any set plans, I will remain very active while I can, and I have many sporting activities that I enjoy. We also have a large family that includes 8 grandchildren, all under 7, so they are bound to keep us very busy. Travelling and relaxing are also high on the agenda. I have not ruled out continuing to be involved in the industry in some way, we will see. ▲

Court Matters

CHARGES

Kyle Gaspari has been charged with one count of operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel Industry Act, 2002*. Kyle Gaspari operated as Executive Sports Company in Burlington and elsewhere in Ontario.

Ronald Greenwood, Christopher Greenwood and MKI Travel and Conference Management Inc. have been charged with four counts each of failing to maintain trust accounts, contrary to **Section 27** of Ontario Regulation 26/05 made under the *Travel Industry Act, 2002*. MKI Travel and Conference Management Inc. operated in Ottawa and elsewhere in Ontario. The Ontario Travel Industry Compensation Fund has paid claims in excess of \$2 million related to the closure of MKI in May 2013. Ronald Greenwood was the President and Christopher Greenwood was Vice-President of Operations of MKI.

CONVICTIONS

David Hemmings and Nature's Photo Adventure Inc. have been convicted of one count each of operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel Industry Act, 2002*. David Hemmings and Nature's Photo Adventure operated in Whitby and elsewhere in Ontario. Mr. Hemmings was fined \$3,000 and Nature's Photo Adventure Inc. received a suspended sentence.

Dragica Belchevski, operating as Win Travel Tours and Cruise Agency, has been convicted of one count of operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel Industry Act, 2002*. Ms. Belchevski and Win Travel Tours and Cruise Agency's registration under the *Act* was terminated on August 10, 2010. Ms. Belchevski, also known as Dragica Lapajokoska, continued to operate in Toronto after her registration under the *Act* was terminated. Ms. Belchevski was fined \$3,000.

Toronto Chinese Traveller Association and Piye Liu have been convicted of two counts each of operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel Industry Act, 2002*. Toronto Chinese Traveller Association and Mr. Liu operated in Milton and elsewhere in Ontario. Mr. Liu was fined \$2,000 and the Toronto Chinese Traveller Association received a suspended sentence.

Bruce Wylie was convicted of six counts of operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel*

Continued on page 7...

Industry Act, 2002. Mr. Wylie operated as Bruce Wylie Tours and Wylie's Excellent Adventure in Brockville and elsewhere in Ontario. Mr. Wylie was fined \$3,000 and given two years to pay the fine.



Paul Tribe and The Mindful Traveller Inc. have been convicted of two counts each of failing to maintain trust accounts, contrary to **Section 27** of Ontario Regulation 26/05, made under the *Travel Industry Act, 2002*. Approximately \$32,000 in claims was paid to consumers from the Ontario Travel Industry Compensation Fund after the registration of The Mindful Traveller Inc. was terminated in February 2011. Mr. Tribe was fined \$3,000 and a Free-Standing Restitution Order was made under **Section 32** of the *Act* for Mr. Tribe to repay TICO \$7,000. There is no time limit attached to this order. The Mindful Traveller Inc. received a suspended sentence.

Carlos Ventura o/a Ventura Vacations has been convicted of seven counts of failing to maintain trust accounts, contrary to **Section 27** of Ontario Regulation 26/05 made under the *Travel Industry Act, 2002*. Approximately \$5,500 in claims was paid to consumers from the Ontario Travel Industry Compensation Fund after Mr. Ventura's registration was terminated in April 2011. Mr. Ventura was fined \$5,000.

Robert Ewaniuk and The Executive Needs Inc. o/a Sportality have been convicted of three counts each of operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel Industry Act, 2002*. Mr. Ewaniuk and The Executive Needs Inc. operated in Toronto and elsewhere in Ontario. Mr. Ewaniuk was fined \$5,000. The Executive Needs Inc. o/a Sportality received a suspended sentence.

Rubin and Toby Fergenbaum have been convicted of one count each of operating as a travel agent without registration, contrary to **Section 4(1)(a)** of the *Travel Industry Act, 2002*. Toby and Rubin Fergenbaum operated as Haliburton Cottage Rental and offered and sold cottage accommodations on behalf of cottage owners in Haliburton and elsewhere in Ontario. Toby Fergenbaum was fined \$2,000 and Rubin Fergenbaum received a suspended sentence.

REVOCATIONS

Between July 11 and October 15, 2013 two companies had their registrations revoked: **Domar Travel and Tours Ltd.** and **Annor Darko Robertson o/a Joy Travel & Tours.** ▲

A Refresher on Accounting Seminar

In an effort to assist registrants, TICO plans to hold Accounting Seminars, with the first one slated for January 2014. The hands-on session will focus on trust reconciliations and financial statement disclosure. Detailed explanations will be provided on the financial requirements under the legislation, including financial statement filings and working capital. The first session will take place at TICO's offices.

TICO understands that the financial considerations required by Ontario's travel legislation can be challenging for many registrants. TICO hopes to make it easier by providing a workshop to educate registrants and to update their knowledge. Once the course is established, TICO will also look at holding it online, via a webinar – should there be sufficient interest from registrants.

If any registrant is interested in attending, please contact us at tico@tico.ca or call us at 905-625-6241/toll-free at 1-888-451-8426.



Upcoming Issues

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

- Update on the Consumer Awareness Campaign 2013-2014
- Trade Shows and upcoming events

Copyright (c) 2013 Travel Industry Council of Ontario. All rights reserved. Contents of this newsletter may be reproduced in whole or in part provided the intended use is for non-commercial purposes and the Travel Industry Council of Ontario is acknowledged as the source on all copies. Some materials in this newsletter may be subject to copyright from an outside source and therefore there may be different restrictions on the reproduction of this material. This newsletter is published by the Travel Industry Council of Ontario and is provided to all *Travel Industry Act* registrants. The information provided in this newsletter is provided for general knowledge purposes only and is not intended to be legal advice.



Travel Industry Council of Ontario

2700 Matheson Boulevard East,
Ste 402, West Tower,
Mississauga, Ontario L4W 4V9.

Tel: (905) 624-6241
Fax: (905) 624-8631
Toll-free: 1-888-451-TICO
e-mail: tico@tico.ca
web site: www.tico.ca

TICO's Board of Directors is committed to providing this annual reminder of the Registrants' Code of Ethics.

CODE OF ETHICS

The Travel Industry Council of Ontario (TICO) strives to provide a fair and informed marketplace for consumers. TICO strongly encourages all Ontario registrants to comply with the following Code of Ethics, which targets the values and principles that are in keeping with this objective.

- **Integrity:** Conduct our activities with honesty, dignity and fiscal responsibility, always protecting and promoting the best interests of our clients.
- **Disclosure:** Communicate material facts to our clients; supply accurate and complete information in a clear and understandable manner to assist consumers to make informed decisions in their choice of travel services.
- **Marketing:** Refrain from using any form of misleading advertising or innuendo in marketing products and services.
- **Competition:** Practice fair and open competition and refrain from unjustly criticizing competitors, their products and services or their business methods.
- **Accountability:** Fulfill all contractual obligations promptly and completely. Respond to legitimate complaints without delay. Maintain accurate and complete records of all client transactions and safeguard consumer monies.
- **Compliance:** Abide by applicable laws and regulations and never knowingly do business with those operating outside those laws. Registrants are required to ensure that all employees and other sellers of travel associated with the Registrant are conversant with all aspects of the *Travel Industry Act, 2002*, the Regulations and this Code of Ethics.
- **Cooperation:** Cooperate with any investigation/inquiry by the Registrar or TICO staff to resolve any problems or disputes as soon as possible.
- **Competency:** A registrant is responsible for the competency of all staff.
- **Respect:** Treat all people with equality and respect
- **Confidentiality:** Treat every client transaction confidentially. Do not disclose any information without permission of the client, unless required to do so by law.
- **Conflict of Interest:** A Registrant's first responsibility is to its clients and the clients' best interests. Any commercial gain and/or preferred relationships between a Registrant and suppliers will at all times be secondary. ▲