



Canadian Tourism
Commission

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Negotiated Request For Proposal DC-2016-PA-03 Travel Management Services Addendum #1

DC-2016-PA-03 Travel Management Services

Close Date/Time:

August 31, 2016
14:00 hours
Pacific Time

Issue Date: August 19, 2016 **From:** DC Procurement

To: All Vendors **E-mail:** procurement@destinationcanada.com

Q.1 Is it possible to provide us with a breakdown on your historical spend for Air, Rail, Hotel, and Car Rental?

Answer:

- Air Travel – approximately \$ 1.3 million
- Rail – approximately \$10,000
- Car - \$ 10,000
- Hotel - \$ 350,000

Q.2 Can you identify DC top 3 air, hotel, car suppliers and the annual volumes per supplier?

Answer:

- Air – Air Canada, Delta, United
- Hotel – Fairmont Hotels, Marriott, Delta
- Car Supplier – Avis, Hertz

Travel volumes have been noted in response to Q.1

Q.3 Does DC have current purchasing agreements directly with Airline Hotel, Rail and Car hire companies and if so which one?

Answer: No

Q.4 Can you identify the most frequented destinations domestically, trans-border and, internationally?

Answer:

- Domestic – Toronto and Ottawa
- Trans Border – Los Angeles, New York, and Dallas although there are a number of additional Cities that are travelled to in the United States
- International - London

Q.5 What is the name of your current Online Booking Tool? Is it Concur?

Answer: Yes

Q.6. Do you need an automated travel approval service application in concert with the online booking tool? Can you further describe your current approval process?

Answer: Travel is approved internally within DC prior to booking and the current service provider ensures travel requests are within the approved DC policy on Travel, Hospitality, Conferences and Events Expenditures

Q.7 Do you use flight passes?

Answer: Only one traveller uses domestic flight passes

Q.8 Approximately, how many traveller?

Answer: There are 20 – 25 main travellers plus an additional 15 less frequent travellers

Q.9 Can you further define your Insurance Requirements? Do you have official insurance for your employees?

Answer: Destination Canada Provides Travel Insurance to employees. Travel insurance is not a part of the scope for this NRRP

Q.10 Do you have statistics for the topics below:

Answer:

- of Domestic/Trans-border flights - 83%

- of International flights – 17%
- Ebooking service transactions – 9%
- Full live service transactions – 91%

Q.11 The Mandatory Criteria Questionnaire (Section D2) on the pdf format of the NRFP is limited in terms of space available for responses. Would it be possible to request the questions in an Excel or other spreadsheet format where they can be filled in and formatted?

Answer: Yes, a copy in Word will be made available

Q.11.1 In addition, I would like to inquire as to the nature of the Rebate cheques (Section D, point 3.6 and Section C, point I) that Destination Canada would like to receive.

While our travel provides a transparent pricing model, where we only charge you for the transaction cost that you incur with each booking, we do not influence your corporate strategy to setup supplier agreements on our own. We do negotiate on your behalf with suppliers, in which case any lower rates and fares reflect as a reduction in your travel cost up front.

Answer: Provided that DC does not have an agreement with any airlines during the course of the new travel service provider contract, the Contractor shall use the gross airline volume less taxes and fees to calculate the rebate, sharing the total air commissions and overrides earned. The rebate shall be tracked quarterly but paid 30 days following the contractual year end.

Q.12 what is your current annual travel spend split between air, car and hotel?

Answer:

- Air Travel – approximately \$ 1.3 million
- Car - \$ 10,000
- Hotel - \$ 350,000

Q.13 what is their airline spend (by \$ and pax) per year domestically, transborder and international.

Answer:

Transportation Location Type	# of Tickets	Percentage	Total Air Fare
Air Travel – 2014			
Canadian	239	20%	\$209,425

Trans-Border	732	63%	\$489,214
International	195	17%	\$424,251
Totals	1,166	100%	\$1,122,890
Air Travel - 2015			
Canadian	229	23%	\$202,712
Trans-Border	589	60%	\$399,308
International	172	17%	\$349,477
Totals	990	100%	\$951,497
Air Travel – 2016 (to May)			
Canadian	120	25%	\$134,545
Trans-Border	332	68%	\$215,190
International	34	7%	\$89,585
Totals	486	100%	\$439,320

There is a further \$300,000 spent by Destination Canada offices in other airfares outside of Canada currently not going through the Travel Service Provider.

Q.14 what are the top 3 airlines for domestic, transborder and international.

Answer:

- Domestic – Air Canada and West Jet
- Trans border – Air Canada Delta and United
- International – Air Canada, Delta, Lufthansa

Q.15 Do you have any net airline contracts. If yes, with which airlines?

Answer: Yes – Air Canada

Q.16 what is the current online booking tool used?

Answer: Concur

Q.17 what (if any) percentage of air, cars and hotels are booked online

Answer: Approximately 5%

Q.18 do you currently use an onsite travel counsellor or is travel fulfilled through a central service.

Answer: Travel is fulfilled through a central service

Q.19 how many travellers reside in the various locations mentioned in the RFP. How your travel is currently fulfilled?

Answer: The majority of the travellers are located in Vancouver, with 1 to 2 travellers located in the offices mentioned in the RFP

- 75% of travel is provided through a service provider.
- 25% of travel is booked directly.

It is the intent that the new service provider will be able to provide 85% to 90% of the travel services booking for Destination Canada

Q.20 under mandatory requirements 1.1 please clarify if you require an onsite individual that both books travel, provides training and account management?

Answer: The onsite person would book travel, provide training and account management

Q.21 will all air bookings be paid by credit card?

Answer: Please refer to Section C2 item K in the RFP

Q. 22 Regarding section C2-1, can you please elaborate as to what exactly you are referring to with the term "Rebates" Is this in reference to commissions returned from suppliers? Or otherwise?

Answer: Please refer to response to Q.11

Q.23 Please provide the following transaction volumes for a given period of time (1 year, 6 months, or 3 months) in the past two years:

Answer:

- Air volume (Domestic, Transborder, International)
Please see chart in Q13
- Hotel Volume (Domestic, Transborder, International)
\$80,000 \$210,000 \$60,000
- Car volume (Domestic, Transborder, International)
\$7000, \$2000, \$1000
- Transaction volume (number of transactions with current TMC)
Approximately 1200 transactions per year

Q.24 Will Destination Canada allow for an executive summary?

Answer: No

Q.25 page 8, point d.4, please clarify “no additional charges will accrue to the Travel Agency”?

Answer: There will be no additional service fees paid to the Travel Service Provider for handling flight cancellations/rebooking and refunds other than those they may be proposed as part of the service agreement contract.

Q.26 on page 19 of the RFP, point c, please clarify financial costs in this context? I.e. service fees, monthly fees, rebate

Answer: The reference is to all fees and items noted under F.1, e, b.1 Fees.

This element is to ensure that DC is receiving fair value and fees should the business volumes for travel (number of transactions) put through the resulting travel management services contract are higher than the levels anticipated in the contract.