

May 13, 2020

Doug Parker
CEO
American Airlines
1 Skyview Drive
Fort Worth, TX 76155

Dear Mr. Parker:

As the novel Coronavirus pandemic continues to ravage America and the world, public health officials continue to urge people to avoid all unnecessary travel to protect their health and limit the spread of the deadly virus. But consumers are finding that despite directives to stay at home and refrain from travel, the airlines are too often refusing to provide refunds for disrupted travel, offering vouchers in their place. Consumers who are facing deep financial uncertainty are being forced to take a financial hit for following government direction and staying home.

Consumer Reports, U.S. PIRG, and 244,314 individuals who signed three separate petitions are urging you to be responsible corporate citizens and give every passenger whose travel is canceled - whether by the airline or at the discretion of the traveler - a full cash refund on request. That option should be clearly and conspicuously disclosed to all travelers, so that they can make an informed decision about whether to take the refund or accept an alternate option.

Adhering to federal law requiring refunds for tickets only if the airline cancels or makes a "significant change" to the traveler's itinerary might be defensible in ordinary circumstances. In a crisis of this magnitude, however, with much of the country under orders to stay at home, it is simply unfair to deny a full cash refund to customers who cannot safely travel. Industry policies during this time should reflect reality and provide refunds to all customers who request them.

Jennifer Stansfield, who started the Change.org petition that generated over 139,000 signatures for this letter, experienced this frustration first-hand when she canceled the "once-in-lifetime trip to Italy" she and her husband had been planning and could only secure a voucher, but not a refund, from United Airlines. As she wrote:

Why would I want a voucher when studies are showing we're going to be under some sort of social distancing until 2022? I'll never be able to use the voucher before it expires, meaning I am out nearly \$2000. I was upset so I went on Twitter and looked at United's tweets and replies. The feed was full of people tweeting at United telling them that they didn't want vouchers for canceled travel, they wanted refunds. No one was getting refunds, just vouchers for travel that we cannot use. I thought, "The airline industry just received a taxpayer bailout of \$50 billion dollars...and not one of their customers can get their money back?" It's not right. After decades of baggage fees, shrinking seats, and security theater, not being able to get our money back for travel canceled due to no fault of our own was a bridge too far. That's why I started the Change.org petition. Our ask is that every person who has had to cancel travel - or had their travel canceled - due to COVID-19 receives a cash refund. This ask applies to all airlines. Vouchers are unacceptable. We understand that the airline industry is going through an unprecedented economic hardship. But so are we. And we do not have the benefit of a \$50 billion dollar taxpayer bailout.

Consumer Reports has similarly heard from *thousands* of individuals who shared their frustrations with us on our website, through a Facebook chat, and elsewhere. Their stories about their efforts to secure refunds - from all of the major domestic airlines, including yours - provide a glimpse into the hardships that Americans are facing right now.

We heard from elderly passengers who, given the risks and their age, say they may never be able to safely travel again, so they will in all likelihood never be able to use the vouchers they are being offered. Genie from Connecticut cancelled a reunion with an old college roommate and has been offered a voucher that expires in December 2021. Unfortunately, as Genie says, "I'm old. Who knows where I'll be in December 2021? I would really like my money back....I just don't like them being able to hold on to \$400.00 of my money when I could use the money."

We also heard from people who planned trips but then lost their jobs, and are asking for cash refunds so that they can pay for basic life necessities. Dorey from Illinois wrote about her struggle to get a refund after cancelling a long-planned trip to Europe that coincided with the beginning of the travel alerts in mid-March. She wrote:

And who even knows if we'll be able to safely travel by the end of the year? And how are we even going to be able to afford another trip now that we're both losing work in the midst of this crisis? This was our only vacation we had planned for the year - we won't be able to take another trip worth the same amount in flight credits later this year. We don't fly anywhere often - for vacation, work, or otherwise.

Similarly, Bette from NY who is looking for a \$500 refund for cancelled travel to visit family in Florida wrote, "It is a lot of money to pay out now and I don't know how my retirement income will hold up."

And many told us of their concern that the time-limited vouchers will expire before travel is safe. As Dan from Colorado wrote, he has been offered a voucher good for one year from the date he purchased the ticket in November 2019, which he finds particularly useless given that he rarely flies on that airline anyway, and does not expect to fly again this year. He wrote, "I explained to them that I'm 71 years old and therefore at risk and could they please extend the credit till May 2021, a year from when my original flight was. They refused."

We're also concerned after hearing numerous consumers complain they are not receiving airline refunds for tickets booked through valid third-party ticket sellers and are, in fact, being bounced between the airline and the seller in their effort to secure a refund.

At a time when 30 million people have filed for unemployment insurance, and millions are relying on a \$1,200 relief check from the government, the difference between a refund and a voucher can be the difference between making the rent payment, or getting enough groceries for the month.

For people facing financial hardship, being offered a voucher for travel they may never be able to take again is simply wrong. These people, who are seeing their own bills pile up, understand that the airlines are in effect requiring them to provide interest-free loans to prop up the airlines at the same time that the airlines are receiving massive government bailouts. Chris B., who was initially only offered a voucher for a cancelled June trip from Portland, OR to London, pushed back against the airline and was able to secure a refund. As Chris wrote to Consumer Reports, the \$6,000 was "too much money to let [the airline] hang on to for up to two years from now".

Laura from North Carolina wrote to Consumer Reports after failing to secure refunds from various airlines for a long-planned family trip:

My family has been talking about "someday" taking a trip to Europe together for years - and finally, "someday" came around! We'd booked each leg separately to cut costs... and were looking forward to filling our schedule with all the sights London and Scotland had to offer. And then we watched coronavirus cases fly off the charts, knowing before travel bans and mandatory stay-at-home orders went into effect that we likely wouldn't be making it to London as planned.

I realize in the grand scheme of things that a cancelled trip is a small problem, but it's been frustrating to learn that we're not eligible for a refund for a flight we won't take, and instead are being offered airline credit for international airlines we don't normally fly on. This trip was the result of stars aligning in our schedules, so it's not a trip we can just rebook. With upcoming weddings, graduations, and other life obligations, we'll be lucky if "someday" comes around again before those credits expire in a year.

We urge your company to step up and do the right thing. Ensure that all passengers who cancel travel because of the COVID-19 crisis -- whether the airline cancelled their flight or they chose to cancel their trip, and regardless of the ticket class purchased -- are offered a refund for the full price they paid, including ancillary fees. Consumers are hurting and every dollar matters.

We look forward to hearing from you and to seeing a change in policy.

Sincerely,

Anna Laitin
Director, Financial Fairness and Legislative Strategy
Consumer Reports

Mike Litt
Consumer Campaign Director
U.S. PIRG

Jennifer Stansfield
Denver, CO