

People-in-Travel

Tracking Travel's Leaders

CEO Soundbites

Meinhard Huck, President, Swisshotel. (May be paraphrased.)

- We have gone into secondary cities and we are usually the best. We have opened in Dresden, Goa, Mecca, Phuket, and two in Sochi (Russia, location of next Winter Olympics).



- We have signed five in China including Hainan, and possibly a second there.

- We are not a cookie-cutter hotel group - except for doormen, who all have same uniform.

- *On loyalty programs.* We launched Swiss Circle in 2012. We have 2500 active members; we have only active members. We will launch a joint loyalty program with Fairmont and Raffles in about 18 months.

- The 'Swiss' part of our name gives us pole position in terms of image, and quality.

- We don't own any of our 40 hotels, but have a couple of leases.

- *On corporate responsibility given likely bad market conditions in Sochi after Olympics.* We have good locations. The F1 race will be in Sochi. (Russia president) Vladimir Putin has an apartment in Sochi. So these three pluses and others indicate that authorities will be active in boosting business into Sochi post-Olympics.

Finnair CEO

Pekka Vauramo, 55, is due to become Finnair CEO this June. He has been based in Hong Kong since 2010 as one of the COOs at Cargotec, a Finnish freight company, where he has worked since 2007.

Before that Vauramo was in management



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at Sandvik, a Swedish mining and construction company, starting 1985. His training is mining.

Like a few recent CEO appointments at airlines, he seems to have few qualifications for the job. *The assumption must be that airline owners/directors are losing faith in their business-plan and presume that a new approach is needed. Yet the absence of a pattern in the appointments indicates they do not know what the new approach should be.*

The airline notes that "strong experience in Asian markets" is important for its CEO job - *although we question whether Vauramo has that after just two years in one industry in one market.* Finnair adds it has a strategy to grow Asia (no surprise there), and to "reduce costs through partnerships", but it is not clear how Vauramo is qualified for that either.

Ironically, Vauramo will succeed Mika Vehvilainen, who left Finnair in February to take another CEO job - at Cargotec!

Briefs

- **Camiel Eurlings** is due to become KLM president CEO (one job, despite two titles) from July, taking over from **Peter Hartman** - who has had the job since 2007.

H a r t m a n remains at KLM until he retires January 2014, but just as a member of the Air France KLM board.

Eurlings was in politics from the age of 25,

eventually becoming minister of transport, but leaving 2010 to head KLM's freight division. A Dutch citi-



zen, Eurlings will be only 40 later this year. He is unmarried.

- **Somsak Pureesrisak**, 61, was appointed Thailand's minister of tourism, effective last month. He replaced Chumpol Silpa-archa, who died in January.

Somsak is a career politician and as frequently with new ministers of tourism, he has no experience in the travel business. Sports is also in his ministerial portfolio; he has no experience in that either.

Somsak is an electrical engineer by training but has been in public service since 1993.

His first statement as minister was to say that he would focus on visitor safety.

- **David Pflieger**, head of Air Pacific, plans to return to the US this month after three years with the airline. He brought AP back to profitability, and in 2012 lead the decision for the airline to change its name back to 'Fiji Airways' - due to happen this year.

That name change may cause difficulty for his not-yet-named successor in that the introduction of the AP name followed its restructure as an airline of the Pacific, not just Fiji.

Fiji owns only 51% of the shares; other owners are not just Air New Zealand and Qantas but the island nations of Kiribati, Nauru, Samoa, Tonga. Management already talks of an airline "for the Fijians". The likely outcome is that Fiji will buy those country shares if funds can be found.

- **Hartmut Mehdorn**, who earlier headed Air Berlin, becomes executive director for Berlin Airports. Normally that would be a stepdown from his AB job, but the troubles of the new Berlin airport, near one of Berlin's two existing airports at Berlin Schönefeld, has faced a great scandal.

Due to open in 2012, a delay was announced just two months before opening, and has now been extended. The delay may be two years. Such a delay would cause trouble in many places, but in Germany, this is almost-unheard-of mismanagement.

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