

BEFORE WASHINGTON ARBITRATION AND MEDIATION SERVICE

In the Arbitration Involving:

Frederick K. Sheppard,

Claimant,

And

Tim Kneeland & Associates, Inc.,

Respondent.

NO. 00-1006-020

DECLARATION OF EDWARD
JOHN HASBROUCK

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EDWARD JOHN HASBROUCK- 1

I, Edward John Hasbrouck, declare and state as follows:

1. I have personal knowledge of the following facts, and am competent to testify thereto.
2. For 10 years I have worked as a travel agent specializing exclusively in around-the-world and other complex, multi-stop international tickets. I'm currently the staff "Travel Guru" at AirTreks.com, the oldest and largest travel service in the Americas in this specialized niche. I am the author and maintainer of the answers to frequently-asked questions (FAQ) about discounted international airfares, archived at <http://hasbrouck.org/faq>; the standard reference and how-to book on around-the-world tickets and travel, The Practical Nomad: How to Travel Around the World (second edition, September 2000, Avalon Travel Publishing); and the associated Web sites at <http://hasbrouck.org> and <http://www.practicalnomad.com>.
3. In my capacity as a travel consultant and expert on around-the-world airfares and travel, I was contacted by Tim Kneeland in 1997 or early 1998 to get an estimate for the cost of air tickets for Odyssey 2000. The fax I received from him requesting prices for air tickets was the first I had heard of him or of Odyssey 2000.
4. I explained to Mr. Kneeland how around-the-world air ticket prices work. As I discuss at considerable length in my books, there is no "typical" or "you can go anywhere" price for tickets around the world. Prices depend on the specific route and destinations (among other factors including, for a group like Odyssey 2000, the size of the group and the amount of excess baggage).
5. Published around-the-world airfares are offered by various combinations of airlines, but have many restrictions. For example, around-the-world fares from United Airlines and the Star Alliance have a variety of restrictions, including: (a) they are valid only on flights actually operated by certain airlines (none of these fly to some of the Odyssey 2000 destinations, such as Bariloche, which would necessitate additional charges for added flights) (b) they allow only 1 transatlantic and 1 transpacific crossing

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(because of the return to North America in mid-journey, Odyssey 2000 had 3 transatlantic flights, which would have required a separate round-trip from Europe to North America, at a relatively high May fare); (c) they allow only 29,000 total miles, including the mileage between arrival and departure points for portions of the journey covered by surface transportation (even excluding the trip back to America, it appears from my preliminary calculations that the balance of the Odyssey 2000 route would have exceeded 29,000 miles, requiring a higher fare); (d) they are booked in a restricted booking class, meaning that even if 250 seats were available on a flight (which would not always be the case, of course), the airline might not be willing to confirm 250 people for this fare; and (e) they do not include excess or oversize baggage charges.

6. For all these reasons, and others, published around-the-world fares are not necessarily the best deal or applicable to all trips. Exact airline combinations, prices, and rules of the various published around-the-world fares have, of course, changed many times since Mr. Kneeland contacted me. But fares of this type would not have been applicable to Odyssey 2000, and I told Mr. Kneeland so.
7. My professional estimate is that, for an individual passenger with less than 20 kg of baggage and considerable date flexibility (dates flexible by up to a week in either direction), air tickets for a route similar to that of Odyssey 2000 could be expected to cost at least US\$5000-6000. Prices in 1997-1998 were similar. Ticket prices for such a large group as 250 requiring to travel together (even one that could be accommodated on scheduled flights), and including excess and oversize baggage charges for a bicycle for each passenger, could be expected to be substantially higher.
8. If charter flights were required, the cost could be expected to be substantially higher still. It's often impossible to sell the empty leg(s) of a charter for enough to cover operating costs. This makes it necessary to pay for the charter aircraft to fly from and to its base, round trip, even for a one-way journey.
9. I warned Mr. Kneeland that 250 people could not necessarily be accommodated on one aircraft, or on scheduled flights on the same day. I suggested that trying to transport bicycles on the same plane with the riders would be

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logistically difficult and inadvisable, and recommended that they have at least two sets of bicycles and gear so that one could be sent ahead by slower, cheaper means and be waiting for the riders after each flight. I tried to explain some of the differences between travel within the USA and international travel, and between ground and air travel with a large group.

10. I recall discussing with Mr. Kneeland the absence of direct flights between some of the destinations in the proposed route for the trip.
11. I don't remember there being a flight leg between Barcelona and Gibraltar, or any discussion about that specific leg of the journey. If Mr. Kneeland represented to Odyssey 2000 participants that there was a "nonstop" or "direct" flight from Barcelona to Gibraltar, that would indicate to me that he had not done sufficient research, since there are no such direct flights. "Fly from A to B" doesn't necessarily -- in the common usage of tour operators or airlines -- mean "fly directly from A to B" or "fly nonstop from A to B". A "direct" flight may make any number of stops, and that airlines routinely (albeit counterintuitively) use "a direct flight" to refer to a set of connecting flights, with a change of planes at an intermediate point. But getting from Barcelona to Gibraltar by air, even by the most direct connections available now or in 1997-1998, would require going so far out of the way, at such cost, as to make surface travel, or an alternate itinerary, more appropriate.
12. I do remember that Mr. Kneeland's fax listed travel from Bariloche to Capetown as occurring in a single day. I pointed out that there were (and are) no scheduled intercontinental flights from Bariloche, so that the group would need to travel via Buenos Aries; that even from Buenos Aires there aren't flights to Capetown every day; that it might not be possible to accommodate the whole group on one flight even on a widebody; and that the scheduled flights from Buneos Aires to Capetown are overnight flights that arrive the following day. So I recommended that he allot at least three travel days in the schedule for this leg of the journey: I recommended he make sure that everyone had assembled at the end of the ride in Bariloche by the evening of day zero, so that you could fly to Buenos Aires on travel day one (probably distributed over several

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flights), so as to be able to board the flight from Buenos Aires on travel day two, to arrive in Capetown on travel day three, and to be ready to resume riding from Capetown on day four.

13. There were several other similar cases where the draft itinerary Mr. Kneeland faxed me seemed implausible, in terms of flight schedules and routes, but this is the one that stands out most in my mind years later.
14. After I received Mr. Kneeland's initial fax, we spoke by phone and discussed these and others of my concerns at considerable length. I suggested various possible modifications to the proposed itinerary to reduce transport costs and the potential for logistical problems.
15. I explained to Mr. Kneeland that for all the reasons stated above it would be impossible to give an accurate air transport price until group contracts had been negotiated, and deposits of at least 10% of the airfare or charter price paid, with each of the airlines that would need to be involved in providing transportation.
16. Mr. Kneeland was unwilling to pay a deposit at that time, or to retain me to negotiate prices with airlines, and I did not hear from him again.
17. I don't know if Mr. Kneeland contacted other travel agents, but I presume that any competent expert in around-the-world travel and ticket pricing would have given him similar advice.
18. In response to questions from a journalist (who contacted me because of my status and expertise in the field of around-the-world tickets and travel, and without knowing that I had been contacted earlier by Tim Kneeland) I made some of my concerns public in an interview about Odyssey 2000, portions of which were published in Adventure Cycling magazine (Nov.-Dec. 1998, pp. 16-19).
19. If Tim Kneeland & Associates succeeded in obtaining air transportation (passenger and cargo) for a total of US\$13,000 per person (as was stated on what appeared to be their Web site at <http://www.odyssey2000.com/challenge.html>), when I viewed that page

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earlier this year), I believe that was not unreasonable. If however, they budgeted only US\$6000 per person (as was also stated on that page), they did so in spite of contrary advice they had solicited, and received, well in advance, from experts such as myself. If they made commitments based on air transportation cost estimates without having contractual commitments, or at least group passenger and cargo price and capacity availability estimates for the projected group size and amount of gear from a specific airline for each major flight leg, they did so contrary to my advice.

I declare under penalty of perjury under the laws of the State of Washington and the United States that the foregoing is true and correct to the best of my knowledge.

EXECUTED this ___ day of _____, 2001 in the City and County of San Francisco, California.

Edward John Hasbrouck

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