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1.	Watchdog on alert for Thomas Cook collapse <i>The Sunday Times (London)</i> , September 15, 2019 Sunday, BUSINESS AND MONEY;NEWS; FRONT PAGE; Pg. 1, (375 words), John Collingridge ; Sabah Meddings

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Watchdog on alert for [Thomas Cook](#) collapse

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The aviation watchdog is making contingency plans for the possible collapse of [Thomas Cook](#) as the tour operator races to secure a £1.1bn rescue package.

The Civil Aviation Authority (CAA) is on alert over the health of the airline and tour business, which serves about 22m customers a year. Its planning is believed to include the possibility of having to repatriate hundreds of thousands of passengers stranded abroad.

[Thomas Cook's](#) Air Travel Organiser's Licence (AtoI), which allows it to sell package holidays, is due for renewal on October 1. The tour operator is understood to have lined up insolvency experts from advisory firm AlixPartners, which is on standby should rescue talks with Chinese conglomerate Fosun and a clutch of lenders fail. AlixPartners has been working with [Thomas Cook](#) on tackling its debt pile.

According to aviation data firm OAG, about 486,000 passengers are due to travel on [Thomas Cook](#) flights in the first week of October.

[Thomas Cook](#) has blamed Brexit uncertainty for lower bookings, and last year's hot summer for some of its financial challenges.

In May, it issued a profit warning and revealed a £1.5bn half-year loss after a £1.1bn write-off relating to its 2007 merger with My Travel.

Like-for-like sales in the year to July were £183m behind 2018, with growth in Turkey and North Africa offset

by falls in Spain. Core earnings were £206m lower than last year.

The 178-year-old business has 2,800 shops and employs more than 21,000 people. This includes 9,000 in the UK, where it has 555 high street travel agents. It also operates a fleet of more than 100 aircraft under the **Thomas Cook** and Condor brands, and runs 199 own-brand hotels.

The CAA was forced to repatriate about 110,000 stranded customers two years ago when Monarch Airlines collapsed, costing taxpayers £60m.

In a court filing last month, AlixPartners said **Thomas Cook's** lenders, which include Lloyds Bank, could receive just 13.2% of the £875m they are owed should the company collapse.

Thomas Cook said: "We remain focused on completing the transaction."

The CAA said: "We are in regular contact with all large Atol holders and constantly monitor company performance. We do not comment on the financial situation of the individual businesses we regulate."

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COMPANY: **THOMAS COOK** GROUP PLC (90%); FOSUN INTERNATIONAL LTD (69%); LLOYDS BANKING GROUP PLC (51%)

TICKER: TCG (LSE) (90%); 0656 (HKSE) (69%); LYG (NYSE) (51%); LLOY (LSE) (51%)

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