

Duff on Hospitality Law

EU Blocks Booking's eTraveli Deal, Sonesta Faces Resort Fee Lawsuit, and Hungary Probes Online Booking Payments

By Greg Duff on 9.5.23 | Posted in Online Travel Update

This past week (the unofficial end to summer for many of you) was a relatively busy one in the world of online travel. Highlights include:

- **EU (Unofficially) Kills Booking Holdings' Planned Purchase of eTraveli.** For weeks now, we've been providing updates on Booking Holdings' planned purchase of air booking platform, eTraveli. While the European Commission has until September 27 to issue its final ruling, sources indicated late last week that the Commission was prepared to veto the purchase. Sources close to Booking have stated that Booking plans to appeal any final veto.
- **Add Sonesta to the List of U.S. Hotel Companies Being Sued Over Resort Fees.** Last week Hyatt, this week Sonesta. According to Travelers United, the consumer advocacy group that brought both the Hyatt and Sonesta class actions claims, more lawsuits against more companies are coming. This latest suit against Sonesta focuses both on Sonesta's alleged failure to provide total pricing (rate and mandatory fees) early in the booking process and Sonesta's combination of taxes and fees in later disclosures. As the list of hoteliers implementing total price on their websites and mobile applications grow (see additional story on Hyatt, Marriott and MGM changes), it will be interesting to see how these lawsuits evolve.
- **Delayed Payments Leads to Hungarian Investigation of Online Booking Industry.** Last week, Hungary's Competition Authority announced the launch of an accelerated inquiry into the online booking industry, and in particular, whether competition among industry members may have been distorted by Booking.com's payment platform's delayed payments to accommodation providers. According to local news stories, Booking.com

EU Blocks Booking's eTraveli Deal, Sonesta Faces Resort Fee Lawsuit, and Hungary Probes Online Booking Payments

was several weeks delayed in making payment to multiple accommodation providers in the month of July – after announcing and then missing a series of promised payment deadlines. July payments were ultimately made by mid-August. The largely unexplained delay resulted in 28 complaints being made to the Competition Authority alleging the wrongful withholding of fees.

Booking's ETraveli deal faces EU antitrust veto, sources say

September 1, 2023 via Reuters

Booking Holdings' proposed 1.63 billion euro (\$1.8 billion) acquisition of Swedish peer ETraveli Group is set to be vetoed by EU antitrust regulators because of concerns about the U.S. online travel agency's market power, people familiar with the matter said on Friday. Shell said on Friday it would sell its ...

Hotel Group Sonesta Faces Lawsuit Over 'Junk Fee' Disclosure

August 31, 2023 via Skift

Yet another U.S. hotel company faces a lawsuit about disclosing mandatory resort fees. Sonesta, which runs more than 1,200 hotels under various brand flags, faces a class-action suit in Washington, D.C., over how it displays its resort fees on its website and app. Sonesta, whose 16 brands include The Royal

Travel websites failing basic accessibility tests

August 30, 2023 via Phocus Wire

Consistent accessibility issues such as missing alternative text and unlabeled form fields are barriers to bookings from disabled travelers.

Hyatt Now Discloses Resort Fee Up-Front, but Hotel 'Junk Fee' Issues Remain

August 29, 2023 via Skift

Skift Take Marriott said in May it would include resort fees in the first prices travelers see on its site and app. Hyatt and MGM Resorts have also made a change. Which hotel group will be next? Sean O'Neill Share Hyatt, Marriott, and MGM Resorts have been hit with lawsuits ...

Investigation on Possible Market Distortion after Booking.com Scandal

August 25, 2023 via Hungary Today

The Competition Authority has launched an accelerated sector inquiry into the online booking and accommodation services market in Hungary. The investigation will assess whether competition may have been distorted by, among other things, the Booking.com scandal, which has recently been the subject of a number of complaints. The investigation includes ...