

Duff on Hospitality Law

OTA & Travel Distribution Update – Dec. 22nd, 2016

By Greg Duff on 1.6.17 | Posted in OTA Update

Our weekly client OTA & Travel Distribution Update for the short week ending December 22, 2016 is below. This week's update is brief one.

Long-Awaited Outcome to US Airways Suit Is Finally Here [GDS]. A federal jury found last week following an 8-week trial that Sabre had restrained trade by forcing unfavorable contract terms on its supplier, US Airways, and awarded US Airways \$15 million in damages. At issue were the terms and conditions contained in Sabre's GDS contract, including the contract's "full content" provision that required US Airways to provide Sabre access to all of US Airways' seats.

According to US Air, Sabre's market dominance (38% of US Airways' revenues came through the GDS, while the GDS enjoyed 58% market share) put the airline at an extreme disadvantage when trying to negotiate the critical GDS contract. The \$15 million damage award was considerably less than the \$40 – \$70 million sought by the airline. While I understand and appreciate there may be critical differences between the airline and hotel industries, it seems foolish to think that we won't one day soon see an enterprising lawyer well versed in U.S. anti-trust law make assertions similar to those made by US Airways against one of the large OTAs on behalf of his or her hotel industry client.

- **Build Your Ideal Vacation Rental [SHORT-TERM RENTALS].** In an effort to promote the availability of HomeAway's vacation rental listings as part of Expedia's core lodging offerings (yes, hotel and vacation rentals are now both available on Expedia's website), Expedia launched a microsite this past week named Dream Holiday Home. The site allows users to build their dream vacation home by choosing among a number of variables, including location, styles, interiors, recreational activities, etc. Just what everyone needs . . .

[Jury Awards US Airways \\$15M In Sabre Antitrust Trial](#)

A federal jury in Manhattan on Tuesday awarded US Airways \$15 million after finding that trip-planning giant Sabre Inc. restrained trade by forcing unfavorable contract terms on the airline, but found Sabre did not conspire with other firms not to compete for better airline fares. Sabre will have to pay ...

Law360 – Transportation on Dec 21, 2016

Expedia pushes vacation rentals with Dream Home game

Expedia wants to get more of its core audience interested in (and buying) vacation rental trips, so is trying everything it can to ...

Tnooz News Feed on Dec 21, 2016