

Duff on Hospitality Law

OTA & Travel Distribution Update: Proposed legislation targets resort fees; Booking.com as the latest target of consumer watchdog

By Greg Duff on 10.4.19 | Posted in OTA Update

Consumer protection concerns are a re-occurring theme in this week's Update.

Proposed Legislation Targets Resort Fees

("House Bill Would Halt Undisclosed Resort Fees," Benzinga.com on Sep 27, 2019)

This past Wednesday, House members Bernice Johnson (D-TX) and Jeff Fortenberry (R-NE) introduced the Hotel Advertising Transparency Act of 2019. The federal legislation (a copy of which is [attached](#)) requires advertised room rates to include all "required" fees (other than taxes). Violations of the Act are deemed to constitute unfair and deceptive trade practices under the FTC Act and subject to FTC enforcement. Given our current political climate, it is doubtful this legislation will ever go far.

Booking.com as the Latest Target of Consumer Watchdog

("Booking.com warned by UK antitrust regulator for failing to stop misleading consumers," MLex Insight on Sep 19, 2019)

UK-based consumer advocate, [Which?](#), is back in the news. Just weeks after publishing a paper challenging the legitimacy of thousands of TripAdvisor's reviews, Which? released a report this past week alleging that Booking.com has failed to meet the UK's Competition and Markets Authority's (CMA) September 1st deadline for cleaning up its online sales and marketing practices. According to the report, the Booking.com website made repeated representations of limited room availability (e.g., "only 1 room remaining"), when in fact the online travel agent had over 30 rooms available at the same hotel. The CMA reports that it has already raised the issue with Booking.com and anticipates prompt corrective action. Whack-a-Mole anyone?

Other news:

Debt, Egos and Bad Decisions: How Thomas Cook Failed to Adapt to a New Era of Travel

Skift on Sep 27, 2019

Thomas Cook's collapse was a disaster played out in slow motion. An ill-fated acquisition

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spree, a bloated retail footprint, and a commoditized product left it unable to deal with changes in consumer behavior and economic shocks.

5 Reasons Why Agoda's Mix and Save Feature Could Be Disastrous for Hotel Operations

Hospitality Net - Latest Industry News on Sep 27, 2019

Online travel agencies are digging their fingers further into the hotel industry. One of the latest disrupting features comes from Booking Holdings-owned Agoda and its Mix and Save option, which it hails as a win for budget-conscious travelers. It could also be a loss for hotel operators.

Ryanair and Expedia Settle Screen-Scraping Lawsuits on 2 Continents

Skift Travel News on Sep 24, 2019

Ryanair and Expedia appear to have made peace — or at least they've settled lawsuits that the low-cost carrier filed more than two years ago against the online travel agency in Ireland and the United States. Asked about the U.S. lawsuit, which was settled in Washington state in early August, Expedia Group spokesperson Sarah Waffle Gavin confirmed to Skift on Tuesday “[the Irish action](#) was part of the settlement and is in the process of being dismissed as well.”