

A Circuit Split Emerges Over AI-Enabled Pricing

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Good Sunday afternoon from Seattle . . . Our weekly Update for the week ending Friday, July 31, 2026, is below. Anti-trust rulings in both China and the U.S. garnered much of the attention last week together with continued reactions from the recently announced EU decision against Google. Finally, Google's latest earnings release clearly demonstrates the importance of travel in its AI-enabled future. For all my Jerry Maguire fans, "Show me the bookings." Enjoy.

Third Circuit Revives Algorithmic Pricing Claims. In a unanimous opinion, the U.S. Third Circuit Court of Appeals (which, according to my anti-trust colleagues, has a long history of being the friendliest federal appeals court for plaintiffs pursuing price fixing claims) last week revived anti-trust claims against Atlantic City casino-hotels and Cendyn Group over alleged price fixing occurring through the group's use of Cendyn's pricing tool, Rainmaker. A copy of the Court's decision is linked below. According to plaintiffs, competing casino-hotels provided Cendyn non-public pricing and occupancy data, which was then used by Cendyn's AI-powered pricing system to generate pricing recommendations. In its decision, the Court concluded that collusion among competitors no longer requires handshakes (or their traditional equivalents) and can instead be established through competitors' use of AI. The Court's detailed discussion of anti-trust law and its application in a modern AI world echoes comments made recently by Justice Department officials. Interestingly, the case against Atlantic City casino-hotels mirrors litigation brought against Las Vegas casino-hotels over their use of the same Cendyn product, but in that case, the U.S. Ninth Circuit Court of Appeals upheld a lower court's dismissal of the case. Whether this split between Circuits leads the casino-hotel operators to seek Supreme Court review (and definitive direction for anyone relying on these AI-enabled tools) remains to be seen.

Google Fall Out Continues. It seems that I may not be the only person who believes that the EU's recently announced decision against Google (and Google's ultimate reaction to the decision) may actually be harmful to hoteliers (and a boon for competing OTAs).

China's Trip.com Hit with Anti-Trust Penalty. China's State Administration for Market Regulation (SAMR) announced this past week its much anticipated penalty against China-based travel platform Trip.com. The \$765 million penalty includes confiscation of illegal gains as well as a fine. An additional \$18 million in hotel deposits withheld from hoteliers were also ordered returned. According to SAMR, Trip.com had abused its dominant market position in domestic hotel bookings through its use of traffic allocation tools, platform rules and technical measures to strike exclusive deals with hoteliers that required, among other things, their lowest prices. SAMR also found that Trip.com used online tools and manual intervention to unilaterally

lower hoteliers' prices whenever lower prices were found elsewhere. The penalty is the culmination of a 6-month investigation into the platform's practices, the results of which Trip.com seems prepared to accept. How this penalty ultimately affects Trip.com and its practices on a global basis, if at all, remains to be seen.

Have a great week everyone.

[US Third Circuit Charts Antitrust Path for AI Pricing Algorithms](#)

July 31, 2026 via MLex

A US appellate court's revival of an algorithmic price-fixing lawsuit against Atlantic City casino-hotels and Cendyn Group offers one of the most detailed judicial discussions yet of how existing federal antitrust law may apply in the era of artificial intelligence.

[Booking Faces Expanded Class Action in Netherlands \(Update*\)](#)

July 30, 2026 via MLex

Reservation platform Booking has seen a lawsuit over contested pricing clauses expand, with almost 7,700 hotels joining an existing lawsuit in The Netherlands. Hoteliers are suing Booking for damages due to contracts they believe restrict their pricing freedom.

[Google Names IHG As Hotel Partner for Paid Offers in AI-Powered Trip Planning](#)

July 29, 2026 via Hotel News Resource

The hotel group is set to surface special rates through Google's Direct Offers program as the search giant expands advertising within AI-generated answers.

[Atlantic City Hotel Operators Must Face US Antitrust Case, Appeals Court Rules](#)

July 29, 2026 via MLex

Atlantic City hotel operators MGM Resorts, Caesars Entertainment and others must face a US antitrust case accusing them of using algorithms provided by Cendyn to raise and fix prices for rooms, according to a federal appeals court.

[Google Is Leaning on Travel to Sell Its AI Ad Story](#)

July 28, 2026 via Skift

Retail and finance drove Google's search ad revenue this quarter. But Google chose travel - IHG for its newest ad format, Booking Holdings for cloud and AI-powered transactions - to show investors where its AI business lines are converging.

[Amazon's Alexa+ Is Trying to Sell Trips Inside a Chat. Priceline Is an Early Test](#)

July 27, 2026 via Skift

Amazon is betting that stored payment credentials, new MCP support and 180 million Prime members can solve the problem that stopped OpenAI cold: getting travelers to complete a purchase inside an AI conversation.

[China's \\$770 Million Crackdown on Trip.com Is Really About Platform Power](#)

July 27, 2026 via Skift

China's latest antitrust ruling puts new scrutiny on how online travel platforms use exclusivity, pricing, and traffic allocation to maintain their edge.

[Everyone in Travel Wants a Fair Ranking...Until They Own One](#)

July 26, 2026 via Skift

Travel search is auctions stacked on auctions: everyone demands fairness from the layer above while selling position to the layer below.

[China Hits Trip.com with US\\$765 Million Antitrust Penalty After 6-Month Investigation](#)

July 25, 2026 via South China Morning Post

China's market regulator has imposed a 5.2 billion yuan (US\$765 million) penalty on Trip.com Group, the country's largest online travel services provider, for "monopolistic conduct".

[Europe Fined Google for Favoring Its Hotel Search. Hotels May Not Be the Winners](#)

July 24, 2026 via Hotel News Resource

The EU's effort to help Google's search rivals could leave independent hotels more dependent on the booking platforms between them and their guests.

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