

Honorable Elaine Chao
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

March 10, 2020

Dear Secretary Chao:

Three years ago today, the U.S. Department of Transportation (DOT) indefinitely suspended its Request for Information (RFI) on “Exploring Industry Practices on Distribution and Display of Airline Fare, Schedule and Availability Information” (DOT-OST-2016-0204). As consumer advocates, we are concerned that this extended pause is harming consumers by limiting their ability to see all airline, flight, fare and fee options and shop in a transparent, convenient and efficient way.

Before the comment period was suspended three years ago, nearly 60,000 consumers as well as business, government, travel and consumer organizations filed comments in support of a transparent comparison shopping experience in which the airlines are required to make complete and accurate airline purchasing information available for convenient access by consumers on all shopping platforms and channels. While DOT should already have enough information on which to base an effective regulatory proposal, we urge you to lift the suspension so that the RFI process can be completed and further steps can be taken.

Air travel is an expensive item in American consumer and business budgets, and to keep fares down, and quality of service high, the airlines need to be subject to the forces of effective competition. Indeed, the premise of the Airline Deregulation Act was that the airlines would be. To that end, consumers and businesses must have airline, price, fee and schedule transparency – including from independent sources of travel information that enable convenient comparison shopping.¹

Airlines should not be permitted to evade competition and raise airfares by making comparison shopping more difficult. And yet, with the U.S. airline industry now consolidated into four monolithic carriers controlling more than 80% of U.S. traffic, the largest U.S. airlines continue to do exactly that.

¹ “Impact of Airline Consolidation on Consumer Choice,” prepared by GRA Incorporated (Oct. 11, 2017). http://www.ittaa.org.il/wp-content/uploads/2018/03/20171011_GRA_Impact-ofAirlineConsolidation-onConsumerChoice.pdf

The carriers are engaging in this anti-competitive, anti-consumer behavior when the U.S. airline industry has been profitable and consolidated in a way never seen before, with fewer competing carriers and choices for consumers, and record revenues generated from add-on fees that continue to increase, undisciplined by meaningful competition.²

According to DOT's announcement on March 10, 2017, the suspension of the comment period was to "allow the President's appointees the opportunity to review and consider this action."³ We respectfully submit that three years is more than enough time. In fact, airline actions during those three years have made the case for proceeding an even stronger one.

Independent sources of travel information are how most consumers and businesses – especially those that travel less frequently⁴ – determine what airlines fly to their destination and where to get the deals that best suit them. An individual airline's website purposely seeks to avoid giving travelers the ability to choose carriers. And the airline industry is keenly aware that they earn higher revenues on tickets sold through their own walled-garden websites – which increases if they can diminish the effectiveness of shopping for travel using independent third-party purchase outlets.⁵

We urge you to mark this anniversary by immediately lifting the RFI suspension and allowing the nearly 60,000 consumers and other stakeholders who have already shared their thoughts to be heard. We also urge you to proceed with effective rulemaking to ensure that consumers and businesses have convenient and effective access to comprehensive airline, flight, fare and fee information when using independent third-party booking channels for comparison shopping.

² "Airlines Are Earning More Than Ever From Extra Fees But Are Causing Travelers More Frustration And Dissatisfaction," Forbes.com (November 21, 2019) by Dan Reed <https://www.forbes.com/sites/danielreed/2019/11/21/airlines-ancillary-revenues-are-going-through-the-roof-but-also-are-causing-travelers-more-frustration-and-dissatisfaction/#56df304c70f9>

³ "Exploring Industry Practices on Distribution and Display of Airline Fare, Schedule, and Availability Information," 82 Fed. Reg. 13375 (Mar. 10, 2017) <https://www.govinfo.gov/content/pkg/FR-2017-03-10/pdf/2017-04696.pdf>

⁴ American Airlines has reported that 87% of its passengers fly once a year or less. "American Airlines Dropped Some Amazing Stats At Its Media Day," The Points Guy (September 17, 2017) by JT Genter <https://thepointsguy.com/2017/09/american-airlines-amazing-stats/>

⁵ "The Future of Airline Distribution, 2016 – 2021," prepared by Henry H. Harteveldt, Atmosphere Research Group (Oct. 2016) <https://www.iata.org/contentassets/6de4dce5f38b45ce82b0db42acd23d1c/ndc-future-airline-distribution-report.pdf>

Sincerely,

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