



Department of Justice

FOR IMMEDIATE RELEASE
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**TRAVEL AGENT TRADE ASSOCIATION AGREES TO END
ANTICOMPETITIVE PRACTICES**

WASHINGTON, D.C. -- The Association of Retail Travel Agents, which represents two thousand travel agents in the \$90 billion a year travel industry, today agreed to end an effort to boycott travel providers such as airlines and car rental companies who would not adhere to the Association's commission levels and other policies.

The agreement came as a result of a complaint filed by the Department of Justice's Antitrust Division in U.S. District Court in Washington against the Arlington, Virginia, based Association. At the same time, a proposed consent decree was filed that if approved by the court would settle the suit by preventing ARTA from engaging in such activity in the future and requiring it to conduct periodic reviews of antitrust requirements with its officers and directors.

ARTA is a trade association comprised of travel agents who sell transportation and accommodations on behalf of airlines, hotels, rental car companies, cruise lines and other travel services providers. Travel agents in the United States sold more

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than \$90 billion worth of travel services last year.

According to the Department's complaint, in October, 1993, ARTA adopted a set of "Objectives" that included specific minimum commission levels that ARTA wanted paid to travel agents as well as distribution and commission payment policy changes it wanted travel service providers to adopt. Also, some of ARTA's director-members announced that they would cease doing business with travel providers whose policies were at odds with ARTA's "Objectives," the Department said.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "Trade associations of competitors can and do serve many useful, procompetitive purposes, but they may not act as joint bargaining agents for their members to coerce suppliers or customers. The Department will vigorously enforce the antitrust laws against any trade association that agrees on the prices its members will charge or invites or encourages its members to boycott suppliers or customers."

Travel agents are paid a commission by travel services providers for sales they make. Commission levels vary and are included in the ultimate prices consumers pay for travel services. ARTA members compete with each other and with other travel agents both to sell travel services to the public and to act as selling agents for travel services providers.

Public comment on the proposed consent decree is invited within a 60-day period, which if approved by the court, would

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settle the suit. Interested persons can write to Roger Fones, Chief, Transportation, Energy, and Agriculture Section, Antitrust Division, Department of Justice, Room 9104, 555 4th Street, N.W., Washington, D.C. 20001.

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