







Germany

- January 2010: German Antitrust Authority starts investigations against MFN clauses (incl. rate-, availability- and condition parity) of HRS.
- October 2013: German Hotel Association (IHA) complains against MFN clauses of Booking.com and Expedia.
- December 2013:
 German Antitrust Authority found that MFN clauses are in clear violation of German and European competition laws and prohibit HRS the further use of these clauses as far as the clauses affect hotels in Germany.





Germany

- January 2015:
 Higher Regional Court Dusseldorf dismisses the appeal of HRS against the decision of the German Antitrust Authority legally binding.
- December 2015:
 German Antitrust Authority prohibit Booking.com the use of wide and narrow parity clauses as far as the clauses affect hotels in Germany.
- January 2016:
 Booking.com appeals against the decision of the German Antitrust Authority at the Higher Regional Court Dusseldorf (OLG Düsseldorf).

Budapest, 22 November 2018





"You gotta fight for your right to par(i)ty!"

Germany

- February 2017:
 First court hearing at the Higher Regional Court Düsseldorf
- March 2017:
 Court sends extensive questionnaire to German Antitrust Authority



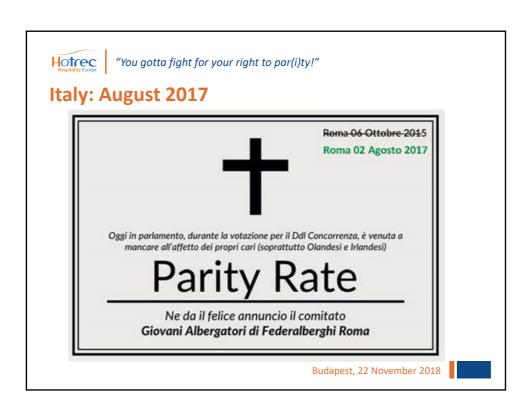




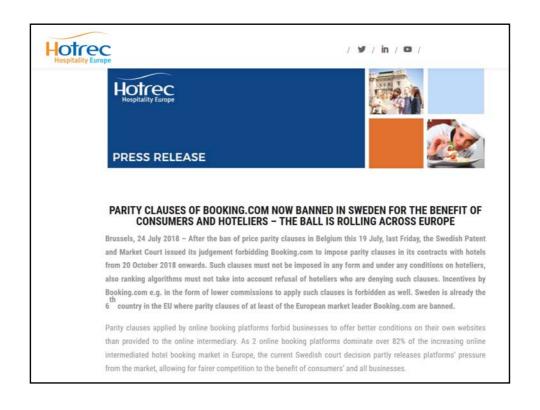
Austria: January 2017

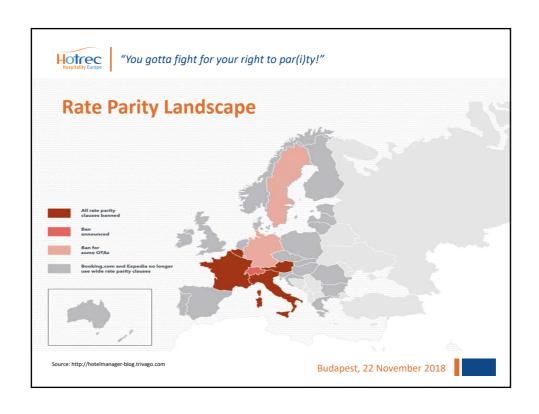
- 9. November 2016:
 National Council decides Amendment to the Act against Unfair Competition
- Since 1 January 2017 no parity clauses in Austria!













ECN-Report (April 2017)

OTA conversion rates (,look-to-book' ratios

In the context of the national investigations into OTA parity clauses, OTAs have argued that either wide or narrow parity clauses are **indispensable to prevent hotels from free riding** on OTA investments. Their argument is that, absent parity clauses, consumers will use OTAs to search for and compare hotels, but will then book more cheaply on the hotel's website, thereby depriving the OTA of commission revenue. OTA conversion rates ('look-to-book' ratios) can be used as a measure of free-riding. The monitoring working group therefore examined whether the conversion rates of the major OTAs have changed following the recent changes to their parity clauses.



Budapest, 22 November 2018





"You gotta fight for your right to par(i)ty!"

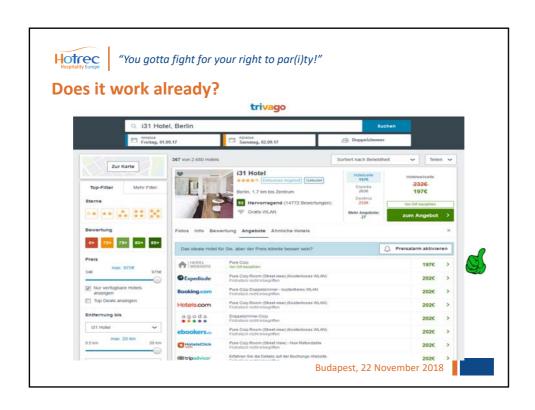
ECN-Report (April 2017)

An analysis of conversion rate data provided by certain OTAs for a representative sub-sample of hotels in each participating Member State showed no evidence of decreases in the OTAs' conversion rates following the changes to OTA parity clauses.

The results for France and Germany did not differ materially from those for the other Member States.









Does it work already?

 The abolition of Booking.com's narrow BPC is associated with the hotels' direct channel being the price leader more often.
 This makes it possible to conclude that Booking.com's narrow rate parity clause restricted price competition.¹



 "For smart travelers, it often pays to book directly with the hotel: The best prices for rooms in 76 of the 100 German hotels found the testers in the sample not on a booking portal, but directly on the hotel page."²⁾



- 1) Zentrum für Europäische Wirtschaftsforschung (ZEW), Oktober 2016, Diskussionspapier Nr. 16-066, Evaluation of Best Price Clauses in Hotel Booking,
- Matthias Hunold, Ulrich Laitenberger und Frank Schlütter, http://ftp.zew.de/pub/zew-docs/dp/dp16066.pdf

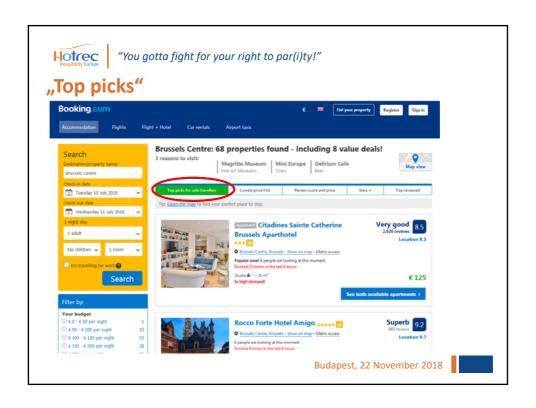
 2) MyDealz, 22. Juni 2017, http://peper.pr.co/155702-booking.com-hrs-und-expedia-de-so-gut-schneiden-buchungsportale-im-direkten-vergleich-mit-den-preisen-der-hoteliers-wirklich-ab

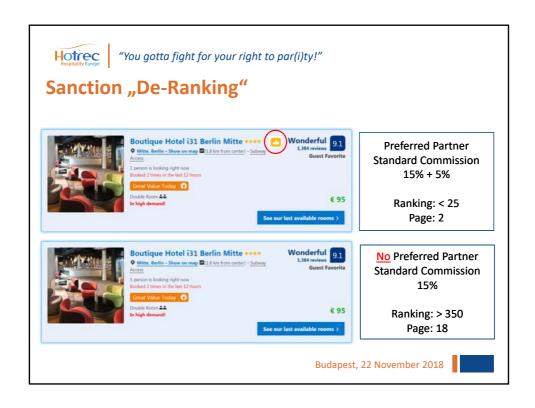


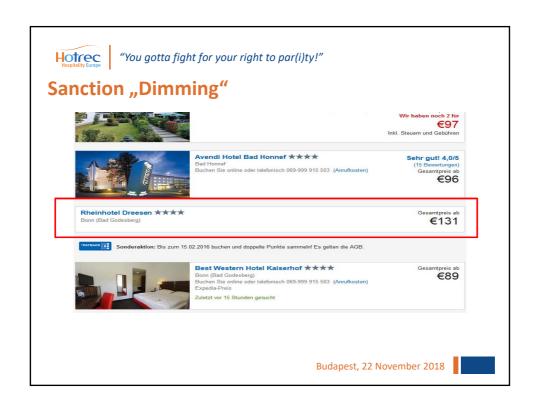














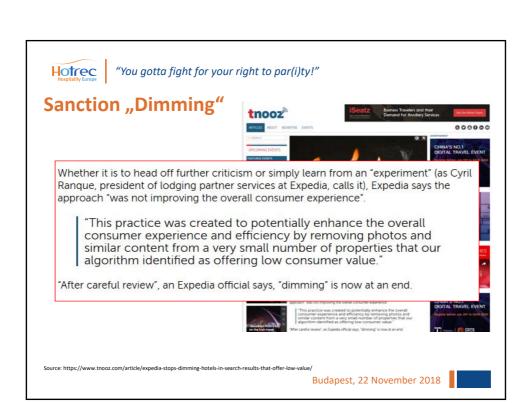
"There is no ,Dimming'..."

Ein Hotel, das in den Buchungsportalen der Expedia-Gruppe ein Zimmer zu einem schlechteren Preis einstellt als im Portal eines Wettbewerbers der der Expedia-Gruppe – was dem Hotel unbenommen ist – wird in der Er-

"However, it is wrong to claim that the visibility on the portals of the Expedia Group is directly due to the competitiveness of the offers in comparison to other booking portals."

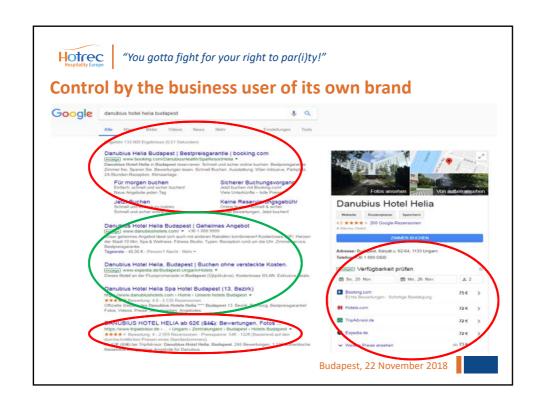
Wettbewerb) zurückzuführen. Überwiegend betreffen Aspekte im Algorithmus der Expedia-Gruppe nämlich die Wettbewerbsfähigkeit der Angebote im Vergleich zu anderen Hotelangeboten, also Gesichtspunkte des interbrand Wettbewerbs.

Source: Complaint recovery Expedia, Regional Court Cologne, 29th June 2016













PRESS RELEASE -

Brandjacking: EU shall show the red card to Google

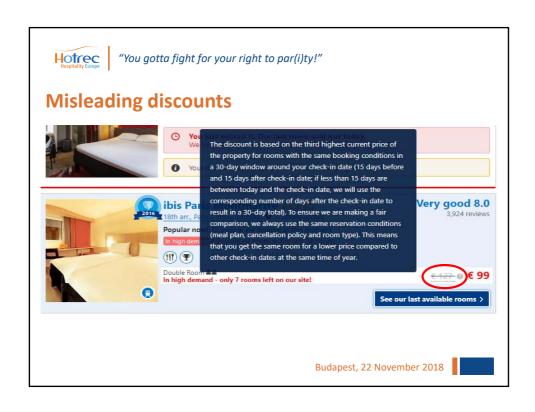
Brussels, 24 October 2018 – HOTREC, the European umbrella association representing hotels, restaurants, and cafes, is extremely concerned by the developments Google recently announced regarding its policy for brand names. Google announced that any intermediary may freely use the brand names of the traded products in their Google Ads, dictating, using its dominant market position, the rules of trademark policy. European enterprises may thus completely lose control over their brand names, which is one of their most precious property. HOTREC calls on the European Parliament and the Council to put bigger emphasis in the upcoming Regulation on platform to business relations on the protection of European enterprises' rights to have control over their brands.

Google's announcement to allow any online intermediary or information provision service to freely make use of the brand names of products put for advertisement on Google, is clearly an attack on the autonomy of enterprises to exercise control over their intellectual property rights. With this move, rights related to the brand names of businesses suffer a huge decrease in value. Trademark protection thus becomes more and more irrelevant, which must not be acceptable.

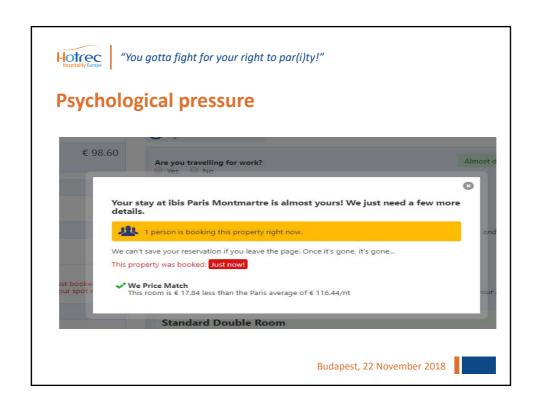
"HOTREC calls on the European Parliament and the Council to increase European businesses' brand protection in the current negotiations on the Regulation on platform to business relations, as proposed to both institutions by HOTREC", said Christian de Barrin, CEO of HOTREC.

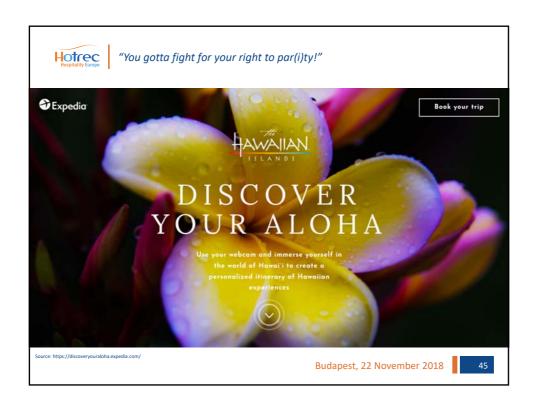


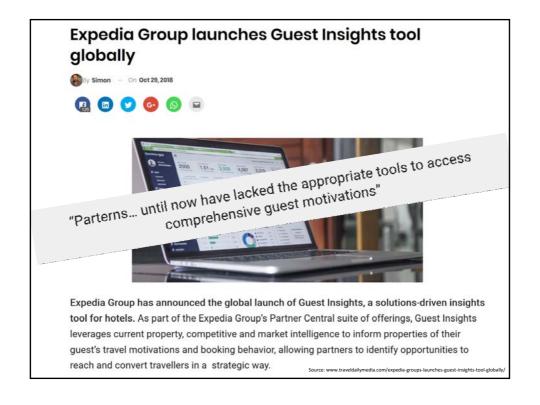


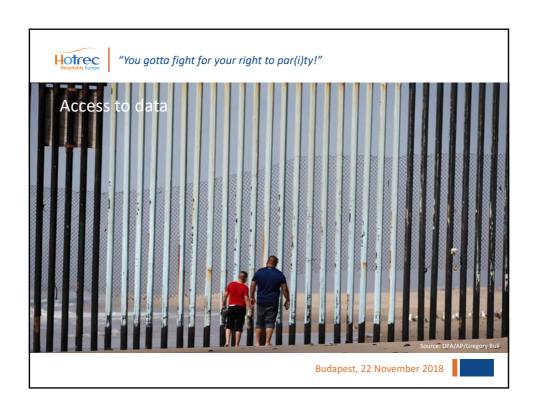


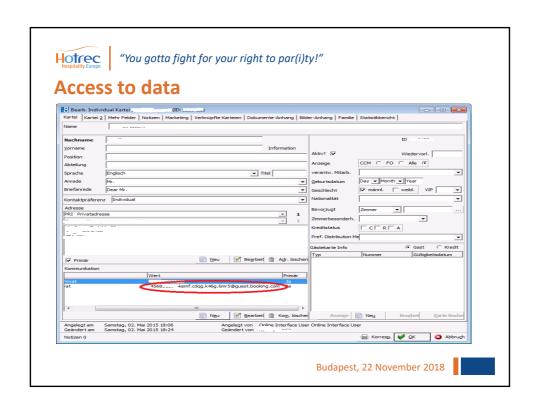


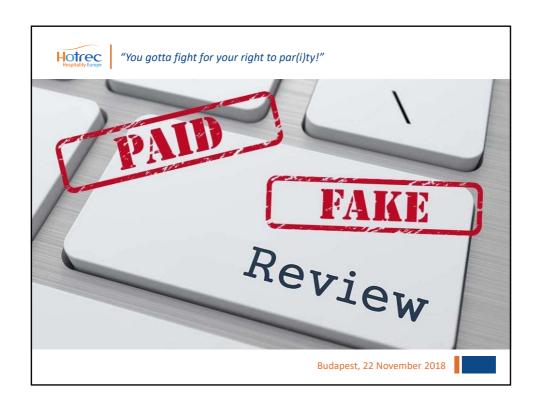


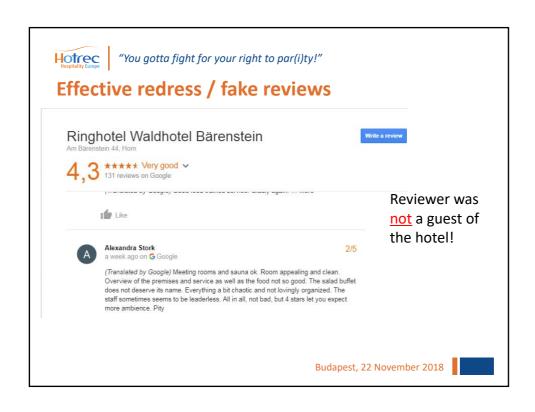






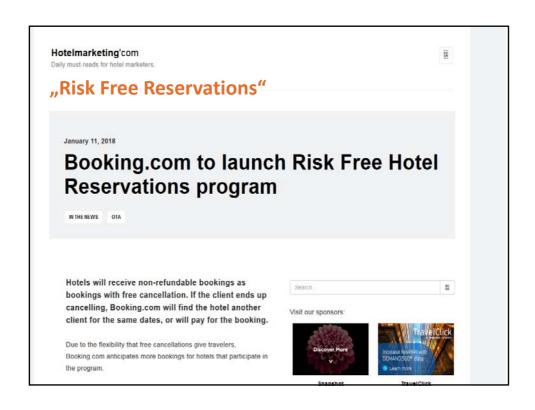


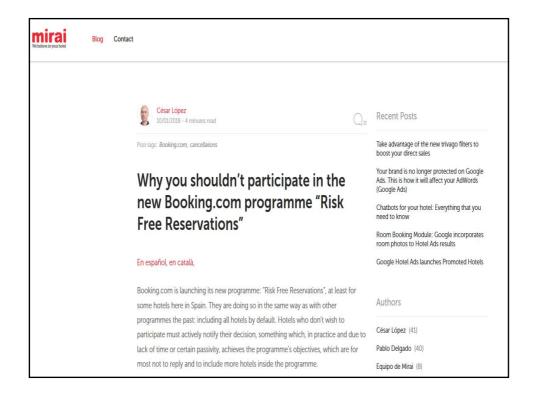




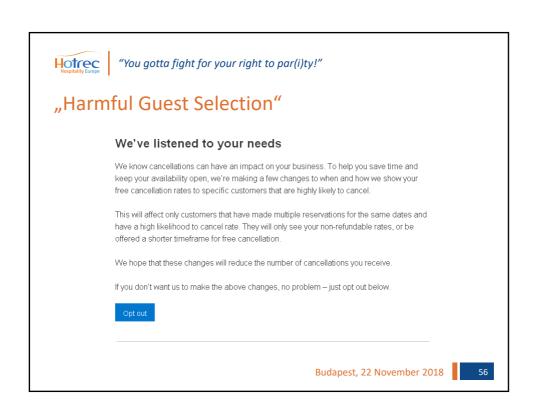














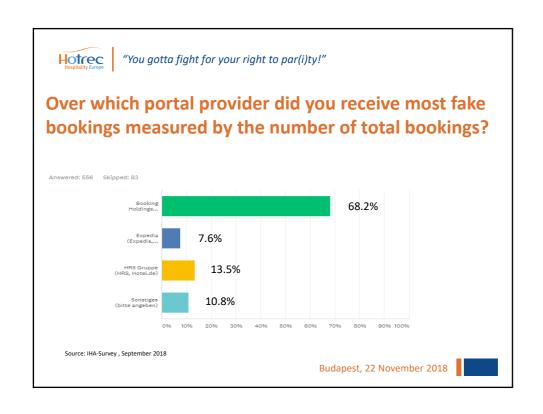
Fake Bookings

An increasing phenomenon

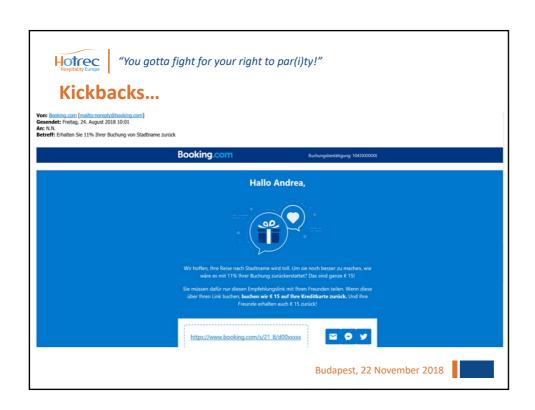
- 77% of German hotels received fake bookings
- More than 50% consider a rise in fake bookings
- 68% experienced fake bookings mainly from Booking.com

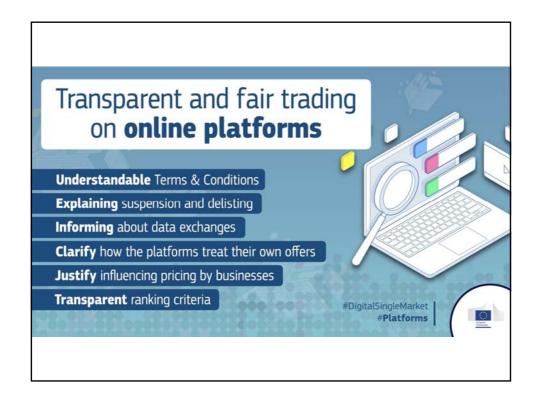
















Platform to business regulation – COM proposal

Main aim

- Increase transparency
- Allow for better dispute resolution

Main areas covered:

- · Terms and conditions
- Rankings
- · Access to data
- Parity clauses
- · Dispute resolution









State of play - timetable

European Parliament

- All 4 Committees proposed Amendments
- 19-22 November: TRAN, JURI and ITRE to adopt opinions
- 6 December: IMCO vote
- 13 December: Plenary to vote on EP position



Council:

- Priority for Austrian Presidency
- Council position by 30 November



















Köszönöm megtisztelő figyelmüket!

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