

REPLACEMENT FILING

27 April 2007

Mr Frank Laurent
Director-General for Energy and Transport
European Commission
B-1049 Brussels BELGIUM

Dear Mr Laurent,

This joint filing is in response to the European Commission's external consultation regarding proposed revision of the Code of Conduct for Computerized Reservation Systems (Regulation No323/1999). The undersigned are corporations that purchase commercial air transportation services in Europe and the travel management companies (TMCs) that provide supporting services to them. The outcome of these proceedings will determine whether the distribution and airline markets will be competitive in Europe while the continent's largest CRS remains airline owned. We are extremely concerned about access to reasonable prices for air travel and about having access to full airfare content in our chosen CRSs; we believe retaining certain core rules is the right answer for consumers of air travel.

The CRS remains our strongly preferred channel of travel distribution. Airline websites are an inferior solution for business travel; they are the vehicles for fragmenting content and thwarting the one-stop efficiency and employee tracking which are essential to a modern travel program. Our consumer preferences in this regard have been forcefully communicated to European airlines; it is essential that the European Commission take notice of them in this consultation and in fashioning its ultimate regulatory solution.

We think partial deregulation is the right direction for Europe, given the current market structure. While many of the existing rules are ripe for reform or elimination, so long as airline ownership of a CRS continues in Europe, some indispensable core protections must be preserved. Failing to keep a strong regulatory framework in place would invite a return to one of the darkest chapters in distribution history when airlines used their ownership stakes in systems to distort competition and prevent market entry both in the airline and the distribution sectors. This result would be utterly devastating to corporate travel programs and to the TMCs that manage them.

The key rules which should be retained are mandatory participation and a prohibition on commission tying. Mandatory participation ensures that an airline must participate in all CRSs to the same extent it participates in the one that it owns. A commission tying prohibition prevents airlines from forcing TMCs to choose an airline's CRS in order to receive compensation. Both rules ensure that content flows freely to all systems. These rules have a proven track record of constraining anticompetitive behavior without creating unreasonable restrictions on other legitimate competitive activities.

We the undersigned urge the Commission to preserve choice in air travel and distribution by reforming but not prematurely eliminating the rules that govern competitive conduct in the European computer reservation system industry.

Thank you for considering our views.

Sincerely,

International Airline Passengers Association
United Nations
Adidas Group
CANUSA TOURISTIK GmbH
IKEA
Thales
NYS Corporate Ltd
E.ON AG
Dow Europe

Dupont
NATS Ltd
Kimberly Clark
Pfizer
Bristol-Myers Squibb
Chubb
Colgate-Palmolive Company
Computershare
Liberty Global Europe
The National Network of Travel Agents (UK)
Danish Business Travel Association
BP Nederland B.V.
Tate Lyle Europe N.V.
Océ-Technologies BV, Venlo, The Netherlands
Aerticket AG Zossener
Tennant Company
BioMerieux, Inc.
Association for Wedding Professionals Int'l
Thomson
TUI 4U
Thales Communications
Carlson Wagonlit Travel
Carlson Wagonlit Travel France
Galileo Hellas
ACE Travel Management
Advanced Travel Partners London
Air Products
United Technologies Corporation
All World Travel Service
American Nursery Landscape Association
Harman International
American Standard Companies
American Standard Europe
Amity World Business Travel
B.S. Executive Travel Limited
Bagshot Business Travel
Barco NV
Ben Lawries Travel Ltd
Biidon company
Blue Marine Travel
Brigham Young University
California In't Alr
Carrier
Ckyde Travel Ltd
Davis World Travel
Dollar Tree Stores
Dresser
Embarq
Emerson Electric
Emerson Process Management
Espirito Santo Viagens, SGPS , S.A.
Eton Travel Agency Limited
Exclusive Resorts, LLC
Fairways Swinford Ltd
Flightline Travel Management plc
Focus Partnership
Fortune International Travel
Forward Travel Management
Global Hospitality Advisors, LLC
Hamilton

HealthCare California
Horncastle Executive Travel Ltd
Ickenham Travel Group PLC
Ingraham-Swets Partnership
Inter IKEA Group
International Paper
John Proctor Travel
Jules Boutin Travel Bureau
KMG Travel Management Ltd
LasVegasConventionTravel.com, Inc.
Lowe's Companies, Inc.
Marathon Oil Ireland
MedSupply
Medway Travel Limited
Opus Travel Ltd
Otis
PAR Travel Tech, Inc.
PerkinElmer, Inc.
Porsche Cars North America
Primaris Air
QA Business Travel Ltd
Quorn Business Travel
Rich Products Corporation
RMIC Corporation
Safeco Insurance Company of America
Sanmina-SCI Corporation
SATO Travel/Carlsonwagonlit Travel
Scientific Atlanta, A Cisco Company
Sellers Travel Limited
STA Travel
Stephens Inc,
Staffmark
Sundstrand
Teradyne, Inc.
The Travel Bureau LTD
The Travel Group LLC
The Travel Team, Inc.
Transorient Toursitik GmbH
Travel Management Alliance
TravelHarbour
Travelwise International Ltd
UCB Pharma SA
UCG
UMICORE
University Of Alaska
UTC FS
Yorks Business Travel Management
International Travel Management
Ambassador Packaging Limited (Pregis Corporation)
Boscov's Business Travel

BTC

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