

# Airline Ancillary Regulation

## *A Solution in Search of a Problem*

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# History of Ancillary Display

- GDS push DOT to mandate airlines sell ancillaries through travel agent network
- Airlines strongly opposed:
  - GDSs incapable of displaying ancillaries
  - Inability to personalize offer
- 2011 – DOT mandated airlines display ancillaries
- Aviation Consumer Protection Advisory Committees recommend against additional regulation – including GDSs
- Airline – GDS modernization effort

# New Regulation Illogical and Unnecessary

- Passengers have access to ancillary information via airline website
- GDSs/travel agents have access to ancillary information
  - GDS/Airline contracts
  - ATPCO
- OTAs already displaying ancillary information

# OTA - Travelocity

The screenshot shows the Travelocity website interface for searching flights from DCA to ORD. The browser address bar shows the URL: `travelocity.com/Flights-Search?flight-type=on&mode=search&trip=roundtrip&leg1=from%3AWashington+%28DCA+-+Ronald+Reagan+Was...`. The page is divided into several sections:

- Filter by:** A sidebar on the left with categories: Stops (Nonstop (20), 1 Stop (34), 2+ Stops (1)), Airlines (American Airlines (33), United (11), Delta (8), JetBlue Airways (3), Cape Air (1)), and Travel and baggage (Seat choice included, Carry-on bag included, No cancel fee, No change fee).
- Choose departing flight:** A section with a "Flexible dates" dropdown menu and a "Sort by Price (Lowest)" dropdown menu. Below this is a "Sign in for airline credits" notification.
- Flight Options:** Two flight options are displayed, both from United Airlines:
  - 7:00am - 8:05am:** 2h 5m (Nonstop), \$271 Roundtrip per traveler.
  - 6:00am - 7:08am:** 2h 8m (Nonstop), \$271 Roundtrip per traveler.
- Car Rental Advertisement:** A vertical banner for Sixt car rental, featuring a white SUV and the text "Premium car rentals worldwide" and "Book today".

The Windows taskbar at the bottom shows the system tray with the date and time: 5:54 AM, 6/24/2022, and the weather: 60°F Mostly clear.

# Ancillary Display: Travelocity

The screenshot shows a web browser window with multiple tabs. The active tab is 'travelocity.com/Flights-Search?d1=2022-07-07&d2=2022-07-16&flight-type=on&fromDate=7%2F7%2F2022&leg1=from%3AWashington%20...'. The page displays flight search results for Washington to Chicago. On the left, there are filters for '1 Stop (59) \$280', '2+ Stops (1) \$763', 'Airlines' (American Airlines (39) \$273, United (25) \$271, Delta (14) \$282, JetBlue Airways (2) \$308, Cape Air (1) \$763), 'Travel and baggage' (Seat choice included \$271, Carry-on bag included \$271, No cancel fee \$323, No change fee \$271), and 'Departure time in Washington'. The main content area shows flight options with times and prices. A modal window titled 'Select your fare to Chicago' is open, showing a fare of \$271 for a roundtrip for 1 traveler in Economy class. The fare includes seat choice, changes, and a personal item. A 'Select' button is visible at the bottom of the modal.

Chase Online | Launch Meeting | Contact | Travel | WebEx Enterprise | Book a Tee Time | Peak Your Power | DCA to ORD fl

travelocity.com/Flights-Search?d1=2022-07-07&d2=2022-07-16&flight-type=on&fromDate=7%2F7%2F2022&leg1=from%3AWashington%20...

Suggested Sites | Web Slice Gallery | Merrill Lynch OnLin... | The Washington Po... | Customize Links | Trump member log... | Imported From IE | Sign in | Chase.com

1 Stop (59) \$280  
 2+ Stops (1) \$763

**Airlines**

American Airlines (39) \$273  
 United (25) \$271  
 Delta (14) \$282  
 JetBlue Airways (2) \$308  
 Cape Air (1) \$763

**Travel and baggage**

Seat choice included \$271  
 Carry-on bag included \$271  
 No cancel fee \$323  
 No change fee \$271

**Departure time in Washington**

Prices displayed include taxes and may change based on availability before checkout. Prices are not final until you complete your purchase.

**Sign in for airline credits**  
If you have an airline credit, sign in to use it at the address you used when you purchased your ticket.  
[Sign in](#)

**7:00am - 8:05am** 2h  
Washin... (DCA) - Chicago (ORD)  
United

**6:00am - 7:08am** 2h  
Washin... (DCA) - Chicago (ORD)  
United

**8:35am - 9:44am** 2h  
Washin... (DCA) - Chicago (ORD)  
United

**Select your fare to Chicago**  
Your selection applies to all flights

**\$271**  
\$270.19 roundtrip for 1 traveler

**Economy**  
Cabin: Economy

- ✓ Seat choice
- ✗ Cancellation
- ✓ Changes
- ✓ Personal item

[See more](#)

Carry-on: Included

1st checked bag:	\$35 up to 50 lbs
2nd checked bag:	\$45 up to 50 lbs

[Select](#)

Outlook Files | 73°F Cloudy | 3:17 PM 6/23/2022

# Ancillary Display - Kayak

**KAYAK** Business Trips Sign in

484 of 1819 flights

Recommended filters

- Hide 1 stop

Stops

- Nonstop \$1,118
- 1 stop \$793
- 2+ stops \$952

Fee Assistant

- Carry-on bag - 0 +
- Checked bag - 0 +

Flexible options

Flight	Class	Price	View Deal
Alaska Airlines, 9:15 am - 11:43 am, nonstop, 5h 28m, DCA - LAX	nonstop	\$929	View Deal
jetBlue, 9:50 pm - 11:35 am, 1 stop, 10h 45m, LAX - DCA	1 stop		
American Airlines, 8:35 am - 11:03 am, No change fees	Main Cabin	\$1,118	View Deal
American Airlines, 7:50 am - 4:00 pm, No change fees	Main Plus	\$1,212	View Deal

**\$1,118 Main Cabin**

- ✓ Seat selection
- ✓ Basic seat
- ✓ Change anytime
- ✓ Carry-on hand baggage
- \$ Second checked bag
- \$ Ticket changes

**\$1,212 Main Plus**

- ✓ Seat selection
- ✓ Basic seat
- ✓ Change anytime
- ✓ Extra legroom
- ✓ Carry-on hand baggage
- \$ First checked bag

Interested in flight + bus prices? Beat flight costs by including bus connections. Show More

Save up to 25% off. Hertz. Let's Go!

9:58 AM 6/23/2022

## In summary.....

- OTAs already have full access to ancillary information either directly from ATPCO or through their GDS
- If DOT wants ancillaries displayed on first OTA page, they can mandate them to display information they already have
- Mandating sharing of ancillary information will not benefit consumers
- No market failure; no deceptive practice; no valid cost-benefit justification