

SHARP CRITICISM OF BOOKING.COM IN GERMANY



The self-commitments suggested by Booking.com, with which the hotel booking platform would give up their best price clause as well as their availability and condition parity in Germany and other EU countries, was met with sharp criticism from the German Hotel Association (IHA) and the Federal Cartel Office Bonn.

The Amsterdam-based hotel booking platform Booking.com plans to introduce new rules to their parity clauses in Germany similar to their conditions in Sweden, Italy and France. **However, these changes only apply to other hotel booking platforms but not hotel-owned websites.** According to the suggested changes, hoteliers would not be able to offer better prices on their own pages than those displayed on booking.com. Furthermore, any online distribution channels would have to follow additional parity clauses.

The German Hotel Association (IHA) thinks that these suggested self-commitments go way too far. "Booking.com wants to abuse their market leverage to introduce self-serving rules to the hotel industry which ignore basic jurisdiction and decisions made by the Federal Cartel Office. We're confident that the German Federal Cartel Office will not accept such 'Wild West' methods," explained Markus Luthe, CEO of the German Hotel Association (IHA).

"Therefore, this announcement by Booking.com does not have any relevance for German hotels and only serves the purpose to cause bewilderment and confusion at the end of all national and international hotel partners."

The fact that the self-commitments stated by Booking.com only apply to other Internet portals and not hotel websites is not enough for the Federal Cartel Office in Bonn. "We further demand the complete cancellation of these clauses," stated the spokesman of the Office.

He also stated that the German Federal Cartel Office would not consider decisions by other EU Cartel Offices to accept such booking-commitments as any kind of benchmark. On the one hand, **the national jurisdiction would still have priority, since all hotel contracts were to be signed in their respective countries.** On the other hand, there is still the decision of the Higher National Court Düsseldorf regarding the HRS case, wherein best-price-clauses were clearly refused. In Germany, Booking.com should not be treated any differently than HRS.

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