



**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.**

Issued by the Department of Transportation  
on the Fifteenth day of September, 2011

**Amadeus IT Group, S.A.**

**Violations of 49 U.S.C. § 41712**

**Docket OST 2011-0003**

**Served September 15, 2011**

**CONSENT ORDER**

This consent order concerns software developed by Amadeus IT Group, S.A., which, when installed by travel agency website developers in a manner that overlooked or misapplied instructions provided by Amadeus did not adequately disclose airline service that involved code-share operations as required by 14 CFR Part 257, the Department's applicable rule. Such nondisclosure of code-share service on the agency's retail displays constituted an unfair and deceptive practice and unfair method of competition in violation of 49 U.S.C. § 41712. By this order, the Department finds that Amadeus facilitated and was indirectly responsible for these omissions, directs Amadeus to cease and desist from future similar violations and assesses the company \$95,000 in civil penalties.

Section 257.4 of the Department's code-share disclosure rule, 14 CFR 257.4, states that the holding out or sale of scheduled passenger air transportation by a carrier or ticket agent involving a code-sharing arrangement is an unfair and deceptive trade practice in violation of 49 U.S.C. § 41712 unless, in conjunction with that holding out or sale, the advertiser follows certain notice requirements, including those of 14 CFR 257.5(d).<sup>1</sup> An investigation by the Office of Aviation Enforcement and Proceedings (Enforcement Office) revealed a material lack of compliance with section 257.5 by a number of on-line travel agents during at least the latter half of 2010. The Enforcement Office's investigation disclosed that in at least several of these cases the omission of code-share disclosure information by the ticket agents in question was due to the lack of sufficiently obvious instructions in connection with customizable software provided them by Amadeus.<sup>2</sup>

---

<sup>1</sup> Section 257.5(d) requires that print advertisements, including those published on the Internet, "prominently disclose that the advertised service may involve travel on another carrier," "clearly indicate the nature of the service in reasonably sized type," and "identify all potential transporting carriers... by corporate name and by any other name under which that service is held out to the public."

<sup>2</sup> See, e.g., *Air Gorilla*, Order 2011-5-5 and *Fareportal, Inc.*, Order 2011-5-6 (CheapoAir).

Amadeus provides both Global Distribution Services (GDS) and general information technology services to a variety of air travel vendors. As such it is a ticket agent as defined in 49 U.S.C. § 40102(a)(40) and is covered by the requirements of 49 U.S.C. § 41712. It provides flight schedule and fare data for reservations and ticket sales for on-line travel agents. Its information technology services are sold to air carriers and also marketed to online travel agents. This matter concerns the fact that one of Amadeus' customizable software products needed to be configured by online travel agents to properly reflect all code-share service in connection with the delivery of airline schedule and fare information and that Amadeus did not adequately communicate its instructions so that such code-share information would be properly displayed.

To its subscribers, Amadeus supplied programming tools<sup>3</sup> that allowed vendors access to Amadeus schedule and fare information. For the information to be displayed on the vendor's websites, however, the vendor itself had to create add-on software that acted as a filter of the Amadeus data. While Amadeus provided guidance for website development for its subscriber vendors, it was possible for vendor sites, by overlooking or misapplying portions of those instructions, to display data without all appropriate code-share disclosures. In January, after the Enforcement Office issued related guidance, Amadeus sent a notice to its subscribers advising them to review their sites for potential errors in programming that would result in these omissions. In addition, Amadeus aided its subscribers in applying appropriate fixes and it has revised its software to preclude similar omissions of code-share information among future subscribers.

However, for a period of time Amadeus supplied its GDS subscribers with software that, if add-on software were not correctly installed, would present screen displays that did not provide code-share disclosure as required by section 41712 and section 257.5 of the Department's rules. The Department has previously advised all GDSs that when they supply agents with website software it must be compliant with the Department's advertising requirements, in general, and code-share requirements, in particular.<sup>4</sup> Where, as here, the GDS provides customizable software for retail travel agency use, and where the retail agency needs GDS instructions to properly install the software in order to comply with applicable code-share disclosure requirements, then the GDS should provide retail travel vendors with ample notice of the steps that need to be taken to achieve compliance with such disclosure requirements. Many of the subscribers to Amadeus and other GDSs are small businesses with limited resources to devote to technical issues. Amadeus, as a ticket agent and as a major supplier of data and software to travel agents in the U.S. and elsewhere, is responsible for and will be held accountable for providing appropriate notice about the manner in which its customizable software products must be installed to avoid errors in installation by its U.S. subscribers that might lead to non-compliance with required code-share disclosures.<sup>5</sup>

---

<sup>3</sup> Amadeus refers to this set of programming tools as Application Programming Interface/Web Services (API/WS).

<sup>4</sup> 76 Fed. Reg. 2744 (Jan. 14, 2011).

<sup>5</sup> The Enforcement Office recommends that GDSs supplying software to U.S. travel vendors for the sale of airline tickets avoid issues regarding the adequacy of GDS-provided installation and customization instructions by delivering the software so that special

Amadeus, in supplying its GDS subscribers with customizable software without adequately communicating instructions on achieving full code-share disclosure on subscriber websites, facilitated and bears indirect responsibility in part for the resulting violations of Part 257. By facilitating these violations, Amadeus itself engaged in an unfair and deceptive practice and unfair method of competition in violation of 49 U.S.C. § 41712.

In mitigation, Amadeus states that this matter concerns a customizable API/WS software product used by a relatively modest number of Amadeus subscriber travel agencies that choose this product to operate their on-line travel websites. When properly installed and configured, Amadeus asserts, its software provided the DOT-required code-share information to agencies and consumers. Further, the software, the GDS affirms, was at all times accompanied by instructions for its proper installation and configuration in a manner that would provide the proper code-share data for display to consumers using on-line websites. Amadeus states that is mindful of its responsibilities to its agency customers and, upon learning that some customers had not properly configured the software, promptly took steps to specifically advise its customers using this product of the instructions previously provided and the configuration steps needed to ensure their display of code-share information was consistent with the DOT disclosure rules. Finally, while Amadeus asserts that it did not violate DOT's rules or 49 U.S.C. § 41712, Amadeus states that it has taken additional steps to modify the API/WS product for future subscribers to reduce the likelihood of code-share information not being displayed.

The Department views compliance with code-share disclosure requirements seriously. The Enforcement Office has carefully considered all the evidence in this matter, including the explanation and mitigation offered by Amadeus and believes that enforcement action is warranted. In particular, it wishes to emphasize that, in making available to Internet sellers of air transportation, primarily on-line travel agents, software that allowed the display of flight information but did not clearly communicate the programming steps needed for those sellers to provide full disclosure of code-share service, Amadeus violated the statutory and regulatory requirements discussed above. In order to avoid litigation, the Enforcement Office and Amadeus have reached a settlement in this matter in which Amadeus, while not admitting any violation, accepts the findings and conclusions stated herein. Amadeus consents to the issuance of this order to cease and desist from future violations of 49 U.S.C. § 41712 and to the assessment of \$95,000 in compromise of potential civil penalties.

This compromise assessment is appropriate considering the nature and extent of the violations described herein and serves the public interest. It represents an adequate deterrence to future noncompliance with the Department's advertising requirements by Amadeus, as well as by other ticket agents.

---

customization is not required for the software to provide data that complies with Department rules.

This order is issued under the authority contained in 49 CFR 1.57a and 14 CFR 385.15.

ACCORDINGLY,

1. Based on the above discussion, we approve this settlement and the provisions of the order as being in the public interest;
2. We find that Amadeus IT Group, S.A., by not providing clear programming instructions with its software, in certain circumstances facilitated noncompliance by subscriber travel agencies with required disclosure of code-share services, as discussed above, and engaged in an unfair and deceptive practice and an unfair method of competition in violation of 49 U.S.C. § 41712;
3. Amadeus IT Group, S.A., is ordered to cease and desist from further similar violations of 49 U.S.C. §41712;
4. We direct that Amadeus IT Group, S.A., (a) advise within two months of the date of this order all online travel agencies using the API/WS product of their need to comply with the code-share disclosure requirements contained in 14 CFR Part 257; (b) provide clear advice to those agencies of the steps needed to configure the software to display code-share information consistent with those requirements; and (c) provide a written confirmation of its efforts in this regard within six months of the date of the issuance of this order to the Enforcement Office;
5. We assess Amadeus IT Group, S.A., a compromise civil penalty of \$95,000 in lieu of civil penalties that might otherwise be assessed for the violations found in ordering paragraph 2 above, which shall be due and payable within 30 days of the date of issuance of this order; and
6. Payment shall be made by wire transfer through the Federal Reserve Communication System, commonly known as "Fed Wire," to the account of the U.S. Treasury in accordance with the attached instructions. Failure to pay the penalty as ordered shall subject Amadeus IT Group, S.A., to the assessment of interest, penalty, and collection charges under the Debt Collection Act, and to possible additional enforcement action for failure to comply with this order.

This order will become a final order of the Department 10 days after its service date unless a timely petition for review is filed or the Department takes review on its own motion.

**BY:**

**ROSALIND A. KNAPP**  
**Deputy General**  
**Counsel**

**(SEAL)**

*An electronic version of this document is available at [www.regulations.gov](http://www.regulations.gov).*