



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

Issued by the Department of Transportation
On the Eighteenth day of July, 2013

PrimeSport, Inc.

**Violations of 49 U.S.C. §§ 41101 and 41712
and 14 CFR Part 380**

**Errata Corrected Docket
Docket OST 2013-0004**

Served July 18, 2013

CONSENT ORDER

This consent order concerns violations of certain consumer protection provisions of the Department's Public Charter regulations by PrimeSport, Inc. (PrimeSport). PrimeSport failed to apply for and receive approval from the Department prior to advertising and selling Public Charter flights, in violation of 14 CFR Part 380. Advertising and selling flights without an approved Public Charter prospectus constitutes engaging in air transportation as an indirect air carrier without Department authority in violation of 49 U.S.C. § 41101. These activities also constitute unfair and deceptive practices and unfair methods of competition in violation of 49 U.S.C. § 41712 and 14 CFR 380.27. This order directs PrimeSport to cease and desist from future violations and assesses a compromise civil penalty of \$60,000.

Public Charter operators must comply with the requirements of 14 CFR Part 380, which is designed to protect charter passengers' money and expectations. These requirements include a prohibition on advertising or selling charter flights unless there is in place an approved Public Charter prospectus demonstrating that certain consumer protections, including financial security measures required by Part 380, have been established, 14 CFR 380.25(a).

PrimeSport is a Georgia-based corporation that provides tickets and tour packages to special events. Prior to applying for and receiving Public Charter authority from the Department, PrimeSport advertised roundtrip charter air transportation to the Pittsburgh Steelers-Minnesota Vikings NFL football game in London, which is scheduled to take place on September 30, 2013. PrimeSport advertised these air charter packages on its website, www.primesport.com. PrimeSport had not received Public Charter authority from the Department to hold out or conduct these flights prior to publishing these solicitations. Furthermore, PrimeSport sold air charter packages and received money from consumers prior to obtaining Public Charter authority. PrimeSport therefore violated 14 CFR 380.25(a). PrimeSport, by holding out and selling Public Charter service before

filing and receiving Public Charter authority in violation of 14 CFR Part 380, also violated 49 U.S.C. § 41101, which prohibits a company or person from engaging in air transportation without proper economic authority. These violations also constitute an unfair and deceptive practice and unfair methods of competition in violation of 49 U.S.C. § 41712 and 14 CFR 380.27.

In mitigation, PrimeSport asserts that, prior to selling and marketing any London Game travel packages, it entered into an agreement with the Pittsburgh Steelers that assigned PrimeSport as the Official Fan Travel partner of the Steelers for the London game. PrimeSport states that it was provided the opportunity to secure the number of game tickets they required as well as purchase 100 air seats on one of the official team charters. According to PrimeSport, it created a detailed package description of all the inclusions and submitted this to the Steelers for approval. PrimeSport states that, after receiving the Steelers' approval, it listed these packages for sale on its website, and the Steelers promoted the packages to their network of fans. PrimeSport states that all game tickets and air seats were pre-paid by PrimeSport to the Steelers and consumers were never at financial risk.

The Office of Aviation Enforcement and Proceedings (Enforcement Office) has carefully considered the information provided by PrimeSport, but continues to believe that enforcement action is warranted. In order to avoid litigation and without admitting or denying the alleged violations, PrimeSport agrees to the issuance of this order, which includes a compromise civil penalty assessment of \$60,000. This order also directs PrimeSport to cease and desist from further violations of 14 CFR Part 380 and 49 U.S.C. §§ 41101 and 41712. This compromise assessment is appropriate considering the nature and extent of the violations described herein and serves the public interest as a deterrent to future violations by PrimeSport, as well as by other similarly situated companies and persons.

This order is issued under the authority contained in 49 CFR Part 1.

ACCORDINGLY,

1. Based on the above discussion, we approve this settlement and the provisions of this order as being in the public interest;
2. We find that PrimeSport, Inc., violated 14 CFR 380.25(a) by advertising Public Charter air transportation without having in place an approved Public Charter prospectus covering its Public Charter flights;
3. We find that by engaging in the conduct and violations described above, PrimeSport, Inc., violated 49 U.S.C. § 41101 by engaging in air transportation without proper economic authority;
4. We find that by engaging in the conduct described in paragraphs 2 and 3 above, PrimeSport, Inc., engaged in an unfair and deceptive practice and an unfair method of competition in violation of 49 U.S.C. § 41712 and 14 CFR 380.27;

5. We order PrimeSport, Inc., and all other entities owned or controlled by or under the common ownership of PrimeSport, Inc., and its successors and assignees, to cease and desist from further violations of 49 U.S.C. §§ 41101 and 41712 and 14 CFR Part 380;
6. PrimeSport, Inc., is assessed \$60,000 in compromise of civil penalties that might otherwise be assessed for the violations described in paragraphs 2 through 4, above. Of this total penalty amount, \$30,000 shall be due and payable within 30 days from the date of issuance of this order. The remaining portion of the civil penalty amount, \$30,000, shall become due and payable immediately if, within one year of the date of issuance of this order, PrimeSport, Inc., violates this order's cease and desist provisions or fails to comply with the order's payment provisions, in which case PrimeSport, Inc., may be subject to additional enforcement action for violation of this order;
7. Failure to pay the compromise penalty as ordered shall subject PrimeSport, Inc., to the assessment of interest, penalty, and collection charges under the Debt Collection Act, and possible enforcement action for failure to comply with this order; and
8. Payment shall be made through Pay.gov to the account of the U. S. Treasury in accordance with the instructions contained in the Attachment to 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:

SAMUEL PODBERESKY
Assistant General Counsel for
Aviation Enforcement and Proceedings

(SEAL)

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