



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

Issued by the Department of Transportation  
on the 13<sup>th</sup> day of March 2015

**Fareportal, Inc., d/b/a CheapOair**

**Violations of 49 U.S.C. § 41712**

**Docket OST 2015-0002**

**Served March 13, 2015**

**CONSENT ORDER**

This order concerns violations by Fareportal, Inc., d/b/a CheapOair (Fareportal) of the statutory prohibition against unfair and deceptive practices, 49 U.S.C. § 41712. This consent order directs Fareportal to cease and desist from future similar violations and assesses the company a compromise civil penalty of \$185,000.

**Applicable Law**

As a ticket agent,<sup>1</sup> Fareportal is subject to 49 U.S.C. § 41712, which grants the Department broad authority to prohibit unfair or deceptive practices or unfair methods of competition in air transportation. The Department has long held that providing erroneous and misleading information in connection with fare advertisements to be an unfair and deceptive practice. For example, holding out a flight as being non-stop when it in fact contains one or more stops and advertising a flight as being operated by one carrier when it is in fact operated by another carrier are unfair and deceptive practices.

**Facts**

An investigation by the Office of Aviation Enforcement and Proceedings (Enforcement Office) of Fareportal's website, [www.cheapoair.com](http://www.cheapoair.com), revealed erroneous and misleading information in connection with fare advertisements. Specifically, the Enforcement Office

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<sup>1</sup> A "ticket agent" is defined as "a person (except an air carrier, a foreign air carrier, or an employee of an air carrier or foreign air carrier) that as a principal or agent sells, offers for sale, negotiates for, or holds itself out as selling, providing, or arranging for, air transportation." 49 U.S.C. § 40102(45).

found that the fare matrix<sup>2</sup> shown in response to consumer flight search requests displayed erroneous information. The fare matrix falsely displayed that the same carrier operated both the outbound and return flights when in fact a different carrier operated one of the legs. In addition, the fare matrix erroneously displayed flights as being non-stop when they in fact had multiple stops. By advertising erroneous and misleading flight information on www.cheapoair.com, Fareportal violated 49 U.S.C. § 41712.

### **Mitigation**

In mitigation, Fareportal states that it does not believe any of the above circumstances warrant enforcement action and asserts that none of the alleged facts resulted in any actual consumer harm. Fareportal states that immediately upon learning of the Department's concerns, it acted proactively and cooperatively with the Department to comprehensively address them. Fareportal states that upon review, it did not uncover any evidence of consumer complaints regarding its fare matrix tool. Fareportal explains that the customer had full view of the detailed itinerary on the same page as the fare matrix tool and could not transact with the site without reviewing the detailed flight information at least twice. Fareportal states that nevertheless, it made significant changes to its search features and other functionality to ensure that all concerns have been fully resolved to the Department's satisfaction. Fareportal further states that it believes the fare matrix tool is user-friendly and provides the maximum flexibility to consumers whose prevailing consideration when purchasing tickets is price

### **Decision**

The Enforcement Office has carefully considered the information provided by Fareportal, but continues to believe enforcement action is warranted. The Enforcement Office and Fareportal have reached a settlement of this matter in order to avoid litigation. Without admitting or denying the violations described above, Fareportal 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 \$185,000 in compromise of potential civil penalties otherwise due and payable pursuant to 49 U.S.C. § 46301.

The compromise assessment is appropriate considering the nature and extent of the violations described herein and serves the public interest. It establishes a strong deterrent to future similar unlawful practices by Fareportal and other carriers.

This order is issued under the authority contained in 14 CFR Part 1.

ACCORDINGLY,

1. Based on the above information, we approve this settlement and the provisions of this order as being in the public interest;

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<sup>2</sup> The fare matrix appears at the top of the "Itinerary Display" web page and provides a summary of flight options, such as carrier, number of stops, and price. Consumers can use the fare matrix to filter the search results. Detailed flight itineraries appear below the fare matrix.

2. We find that Fareportal, Inc., d/b/a CheapOair engaged in unfair and deceptive practices and unfair methods of competition in violation of 49 U.S.C. § 41712(a) by advertising misleading and deceptive flight information in its fare matrix;
3. We order Fareportal, Inc., d/b/a CheapOair its successors, its affiliates, and all other entities owned by, controlled by, or under common ownership and control with Fareportal, Inc., d/b/a CheapOair, its successors, its affiliates, and its assigns to cease and desist from further violations of 49 U.S.C. § 41712;
4. We assess Fareportal, Inc., d/b/a CheapOair \$185,000 in compromise of civil penalties that might otherwise be assessed for the violations described in ordering paragraphs 2 and 3, above. Of this total penalty amount, \$92,500 shall be due and payable within thirty (30) days of the date of issuance of this order. The remaining portion of the civil penalty amount, \$92,500 shall become due and payable immediately if, within one year of the date of issuance of this order, Fareportal, Inc., d/b/a CheapOair violates this order's cease and desist provisions or fails to comply with the order's payment provisions, in which case Fareportal, Inc., d/b/a CheapOair may be subject to additional enforcement action for violation of this order; and
5. We order Fareportal, Inc., d/b/a CheapOair to pay the penalty through Pay.gov to the account of the U.S. Treasury. Payments shall be made in accordance with the instructions contained in the Attachment to this order. Failure to pay the penalty as ordered shall subject Fareportal, Inc., d/b/a CheapOair to the assessment of interest, penalty, and collection charges under the Debt Collection Act and to further enforcement action for failing 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:**

**BLANE A. WORKIE**  
**Assistant General Counsel for**  
**Aviation Enforcement and Proceedings**

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