

**BEFORE THE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

In the Matter of the

**Petition of the Travel Technology Association,
American Society of Travel Advisors and the
Global Business Travel Association to Modify
Order DOT-2012-4-18**

Docket No. DOT-OST-2012-0058

**REPLY COMMENTS OF THE INTERNATIONAL
AIR TRANSPORT ASSOCIATION ON THE ORDER TO SHOW CAUSE**

The International Air Transport Association (“IATA”) hereby replies to the combined Comments of The Travel Technology Association and American Society of Travel Advisors (“TTA/ASTA”) and the Order to Show Cause herein (Order 2020-2-8). No other party commented on the SCO.

IATA respectfully submits that the Tier 1 procedures established by October 2012-4-18 should remain unchanged. IATA supports the SCO’s tentative conclusion denying the TTA/ASTA request that IATA be required to serve them with all Tier 1 filings. IATA also supports the Department’s tentative denial of TTA/ASTA’s request that all distribution related agreements be shifted from Tier 1 to Tier 2. IATA objects to the tentative decision to change from 30 days to 60 days the length of time IATA must wait before implementing unopposed agreements filed under Tier 1.

The SCO tentatively rejects TTA/ASTA’s request to extend the Tier 1 delay period from 30 to 90 days, but it unwisely contemplates extending that period to 60 days. There is no justification for such a 60-day delay. The Tier 1 procedures have been in effect for over seven years and have worked well. The vast majority of the resolutions and amendments to resolutions

filed under Tier 1 have been non-controversial facilitation measures that benefit travelers, shippers and other stakeholders, as well as the airlines. Delaying implementation another 30 days would delay realization of the benefits of those agreements while serving no public interest objective.

The claim, acknowledged by the SCO, that TTA/ASTA are burdened by the need to examine an increasing volume of agreements filed under Tier 1 is factually erroneous. During the past seven years, the number of new agreements IATA has filed under Tier 1 has not increased, but rather has remained stable. The volume during recent years is shown in the following table.

As part of Conference

	2014 conf	2015 conf	2016 conf	2017 conf	2018 + 2019 conf
New Resolutions/RPs	3 Resos 2 RPs	1 Reso 1 Reso (Tier 2) 1 RP	1 Reso 1 RP	3 Resos 7 RPs	3 Resos 9 RPs
Resolutions/RPs amended	23 Resos 19 RPs	34 Resos 25 RPs	27 Resos 17 RPs	26 Resos 7 RPs	63 Resos 17 RPs
Total pages	227	459	253	192	90
New Resolutions	1 (Tier2)	1 (Tier2)	nil	nil	nil
Resolutions amended	9 (Tier1) 2 (Tier2)	7 (Tier1) 3 (Tier2)	13 (Tier1)	14 (Tier1)	nil
Total pages	35	97	37	39	0

The actual burden of reviewing agreements is directly proportional to the number of pages involved in their presentation. As shown in the chart, that number of pages has declined precipitously during the past few years.

The TTA/ASTA claim that their members need at least 60 (or 90) days to consider Tier 1 agreements is patently without merit. IATA agreements are developed in an open environment and are well known to TTA/ASTA as they progress through the IATA agreement development process (during which they are welcome to provide input). They do not come as a surprise.

Critically, TTA/ASTA have not seen fit to object to the overwhelming majority of the agreements filed under Tier 1. No one else has either. There is no downside to allowing those agreements to be promptly implemented. There also is no prejudice to TTA/ASTA in maintaining the 30-day waiting period. If TTA/ASTA suspect that their members may be prejudiced by a given agreement, then they can file a request to DOT within the 30-day period to extend the comment period. That remedy should be sufficient to deal with the small percentage of agreements where TTA/ASTA might perceive a valid concern.

TTA/ASTA's further attempt to have the Department move so called distribution related agreements from Tier 1 to Tier 2 should be rejected. Long ago, by Order 2008-4-45 (May 5, 2008), the Department exempted from condition #2 all the resolutions by IATA's passenger and cargo agency conferences applicable worldwide. That action was fully justified then and nothing arising since then would justify requiring categorically that distribution related agreements be held up pending Departmental review and action. TTA/ASTA's request is merely a transparent attempt to have the Department impose procedural obstacles that would provide TTA/ASTA with increased leverage in negotiating with the airlines. There is no reason why DOT should yield to such a request and TTA/ASTA certainly have not provided any.

Finally, TTA/ASTA have acknowledged that DOT was correct in concluding that if TTA/ASTA want prompt notice of Tier 1 filings that notice can be provided by the Regulations.gov system and need not become an additional burden imposed on IATA. That tentative decision should be made final.

Respectfully submitted,

A handwritten signature in black ink, reading "Douglas E. Lavin". The signature is fluid and cursive, with the first name "Douglas" being more prominent and the last name "Lavin" following in a similar style.

Douglas E. Lavin
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