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To:

Booking.com B.V.
Mr. Glenn Fogel, CEO
Postbus 1639 BP Amsterdam
The Netherlands

Brussels, 20 March 2020

Dear Mr. Fogel,

Re: Letter on “Partnership in Times of the Corona-Pandemic”

The Corona crisis is hitting Europe's hotel and catering industry with all its might. Hundreds of thousands of businesses and millions of employees in Europe are acutely threatened in their existence. Fair partnerships and alliances are essential now.

Hoteliers all over Europe are trying with all their strength to fulfil contracts and obligations, not to have to lay off employees and to continue to be good hosts. They are pinning their hopes on the tourism industry standing together and finding solutions together. However, more and more hotels are gaining the impression that the market-dominant booking portal is acting in a very unilateral way, taking only into account its own interest, without thinking about the situation hotels are currently facing.

Individual hotels are small businesses that employ people from local communities everywhere. They are suffering more than most businesses in this environment, but are still doing what they can to help the traveling public cancel reservations in a fair way. However, the exploitation of market dominance

and the restrictive use of virtual credit cards are cruelly threatening the liquidity and thus the survival of these small businesses.

In times like these, liquidity is by far the most important asset for the hotel industry. But hotels will be unable to survive if Booking.com, continues, unilaterally, constructing cases of "force majeure" and arbitrarily intervening in the customer relationship at the expense of the hotels. This behaviour goes far beyond the limits of Booking.com intermediary status vis-à-vis hotel partners and is damaging our industry. And this at a time when the hospitality sector is particularly vulnerable in terms of its liquidity in view of a complete collapse in new bookings for an indefinite period of time.

For example, it is to take into account that, the legislators in Belgium, Italy and Spain are already expressly allowing their ailing tourism industry to issue vouchers instead of a monetary repayment of customer deposits. Nevertheless, Booking.com is enforcing with his dominant market position monetary remittances as guest compensation by hotels, without any prior negotiation or discussion with the hotels. Other booking portals, at least, try to actively offer guests a rebooking to a later date or a voucher for the hotel instead of simply accepting the cancellation as a given and charging the hotels automatically.

Moreover, Booking.com also announced that it will be even more restrictive and arbitrary in handling payment processing via virtual credit cards. This also deprives the hotel industry of additional liquidity, increases its dependence on your goodwill and will per se exacerbate the crisis.

And these are just few examples of unfair and one-sided practices at a time when many of your current hotel partners and especially those of small or medium size which form by far the majority in our industry are fighting to avoid having to undergo through insolvency proceedings. A dominant partner like Booking.com should show solidarity with the industry he lives off, instead of developing unfair competition practices against their hotel partners.

Given the crisis situation for the entire tourism sector, HOTREC calls on Booking.com to stop any such practices and to start building with us, without delay, a common understanding of how cancellation requests done via Booking.com should be handled under the given circumstances, in order to find ways to accommodate legitimate customers concerns without massively bankrupting the sector. Solidarity between hotels and Booking.com must prevail, also in the light of the application of the P2B Regulation in all Member States.

Yours sincerely,



Jens Zimmer Christensen
President of HOTREC



Markus Luthe
Chair of HOTREC's Distribution Working Group