

German hoteliers demand compensation from Booking.com

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Dhaka: The German Hotel Association (IHA) is supporting a class-action lawsuit brought by around 2,000 hotels against the popular booking portal Booking.com at the Berlin Regional Court. The association justified its commitment to help hoteliers to their rights in court.

Since 2004 till now, Booking.com has applied best-price clauses with which it prevented affiliated hotels from offering rooms at lower rates through any other distribution channel. With these clauses, [Booking.com](https://www.booking.com) shielded its business model against any competition in violation of antitrust law, which ultimately allowed the company to collect booking commissions of up to 50 percent of the room rate from hoteliers.

Hoteliers were overcharged and harmed by the best price clauses. The German Hotel Association is now supporting hoteliers that have joined the "daBeisein" initiative to enforce their claim for compensation in court.

"After several months of settlement negotiations that were actually constructive, Booking.com surprisingly left the negotiating table at the end of October last year and arbitrarily sued 66 hotels participating in the initiative in a Dutch court in Amsterdam for 'negative determination of its liability.' This left the remaining 2,000 hotels with no other

option than to now file a class action suit themselves with the Berlin Regional Court," said Otto Lindner, Chairman, IHA.

In 2013, the Federal Cartel Office had initiated antitrust proceedings against Booking.com following a complaint by the German Hotel Association due to the use of best price clauses in violation of antitrust law. After both the Federal Cartel Office and the Düsseldorf Higher Regional Court left no doubt in the parallel case of HRS that the best price clauses were incompatible with German and European antitrust law, the booking portal ultimately removed the best price clauses from its terms and conditions in Germany in 2015.

In response, Booking.com said in a statement, "The parity clauses challenged by the IHA ensure that we can provide all of the value and services we provide to our partners. They are also known to all of our partners who choose or have chosen to list on Booking.com. As a result, we refer customers from all over the world to our partners. At a much lower price than it would cost them to advertise their own accommodations to generate the same business."