

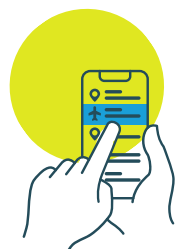
Global Distribution Systems:

FREQUENTLY ASKED QUESTIONS



What are Global Distribution Systems, and why are they important?

Global Distribution Systems (GDSs) are **technology platforms that connect the global travel ecosystem**, allowing travel suppliers to reach travel bookers—and promoting choice and price transparency for travelers around the world. Travel suppliers like airlines, hotels and car rental companies feed their fare, fee and availability data to GDSs. GDSs then provide essential functionality to online travel sites, mobile apps, brick-and-mortar travel agents and a multitude of travel solutions that allow consumers to search for, compare and book among thousands of travel options, thereby enhancing choice and competition.



Some airlines claim that GDS technology is outdated. Is this true?

No. **GDSs remain at the forefront of innovation in developing new and more robust technologies to empower consumers to optimize their travel choices**, enabling comprehensive price comparisons among thousands of travel suppliers. And the airlines continue to look to the GDSs to help them distribute dynamic pricing and availability data. For example, all the major GDSs are working directly with the airlines to implement an updated industry technology standard called New Distribution Capability (NDC) that allows for offering more personalized travel options to consumers. In short, GDSs are on the forefront of travel technology today and used by over 400 airlines around the globe to reach consumers.



How do GDSs benefit travel suppliers?

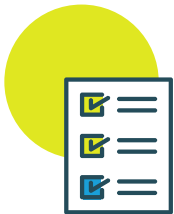
GDSs benefit travel suppliers in many areas, including **expanding their global reach and creating efficiency throughout the travel ecosystem**. As to global reach, travel suppliers are able to make their content available to consumers through hundreds of thousands of travel agencies around the world that utilize a GDS. The GDS platforms allow direct access to a robust market, including for example, travelers seeking assistance on complex itineraries involving several different airlines.

With respect to efficiency, hundreds of thousands of travel agencies rely on GDSs to distribute airline, hotel, car rental and other travel-related content effectively because GDSs provide one-stop shops that link between travel suppliers and travel agencies, and are fully integrated with travel agencies' back offices and other operational systems. Without GDSs providing these critical services, each airline would need to integrate individually with each travel agency for consumer displays and back-office functions, which would be enormously complex and costly.



Are “direct connects” an adequate substitute for GDSs?

GDSs enable travel agencies to make one connection to access thousands of travel suppliers, whereas direct connections would require travel agencies to have independent connections to each travel supplier. Most travel agencies, and in particular smaller agencies, **do not have the technical or financial ability to implement or manage multiple direct connects**. Direct connects today account for only a tiny fraction of travel transactions.



Can GDSs accommodate new industry distribution standards such as New Distribution Capability (NDC)?

Yes, the GDSs can accommodate new industry distribution standards such as NDC. The major GDSs are already working cooperatively with airlines to implement the efficient display and selling of fares, fees and flight options within the NDC framework, **helping achieve the goals of NDC**.



The Department of Transportation (DoT)’s proposed ancillary fee disclosure rule would require airlines to provide usable, current and accurate information on key ancillary fees to their other ticket agents. Shouldn’t GDSs be included?

Absolutely. GDSs, which have long been recognized under law as ticket agents, **should be included** in the DoT’s ancillary fee disclosure rule. Airlines are increasingly withholding fee data from GDSs, and negotiations between airlines and GDSs offer no guarantee of GDS access to critical ancillary fees. **Consumers and travel agencies support GDS access to fee data**. They are the ones who will lose critical fee transparency if the GDSs don’t get access to fee data. That’s why the Department of Transportation should ensure that airlines are required to provide their fees to all ticket agents, including GDSs.

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