

258847

# ORIGINAL

BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION  
DOCKETS

2003 NOV -7 A 11: 37

---

)  
)  
Computer Reservations System )  
(CRS) Regulations )  
)  
)

---

Docket Nos. 03-16469 - 2  
OST-97-2881 - 570  
OST-97-3014 - 227  
OST-98-4775 - 277  
OST-99-5888 - 143

RESPONSE OF GALILEO INTERNATIONAL, L.L.C.,  
IN SUPPORT OF PETITION TO ELIMINATE  
THE CRS RULES SUNSET DATE

Communications with respect to this document should be sent to:

JOHN KIM  
Senior Vice President  
and General Counsel

Galileo International, L.L.C.  
7 Sylvan Way  
Parsippany, New Jersey  
973-496-5767

THOMAS J. DEMAY  
Senior Counsel, Regulatory Affairs

Galileo International, L.L.C.  
9700 West Higgins Road  
Rosemont, Illinois 60018  
847-518-4800

CAROLYN F. CORWIN  
Covington & Burling  
1201 Pennsylvania Ave., N.W.  
Washington, DC 20004  
202-662-6000  
202-662-6291 (facsimile)  
[ccorwin@cov.com](mailto:ccorwin@cov.com)

Counsel for Galileo International

November 7, 2003

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

_____	)	<b>Docket Nos. 03-16469</b>
	)	<b>OST-97-2881</b>
<b>Computer Reservations System</b>	)	<b>OST-97-3014</b>
<b>(CRS) Regulations</b>	)	<b>OST-98-4775</b>
_____	)	<b>OST-99-5888</b>

**RESPONSE OF GALILEO INTERNATIONAL, L.L.C.,  
IN SUPPORT OF PETITION TO ELIMINATE  
THE CRS RULES SUNSET DATE**

Galileo International, L.L.C. (“Galileo”) supports the Petition of Amadeus Global Travel Distribution, S.A. for Rulemaking To Eliminate CRS Rules Sunset Date at 14 C.F.R. 255.12 or Alternative Relief, filed on November 4, 2003. In particular, Galileo strongly supports the position of Amadeus that any significant change in the computer reservations system (“CRS”) rules warrants an appropriate transition period.

**DISCUSSION**

In March, 2003, the Department extended the sunset date of the existing CRS rules until January 31, 2004. The Department now apparently believes that the final decision regarding the CRS rules will not be published until January, 2004, shortly before the sunset date. This would leave an extremely short period of time for the industry to adjust to any new regulatory environment. If the new rules drastically alter the existing rules, as proposed by the November 15, 2002 Notice of Proposed Rulemaking (“NPRM”), or the industry is totally deregulated, as some have advocated, a short adjustment period is patently insufficient. Even if changes are less drastic, a longer

transition period is still necessary. For these reasons, Galileo supports the Petition by Amadeus asking the Department to eliminate the current sunset date of January 31, 2004, for the existing CRS rules. Upon publication of the new rules or the deregulation of the industry, the Department should establish an appropriate transition period.

Based upon the wildly divergent comments submitted to the Department regarding the NPRM, it has been impossible to predict what action the Department is likely to take. As a result, industry participants have been unable to plan appropriately to respond to any new regulatory environment that may emerge with the final rule. This is especially true in light of the complex commercial relationships between airlines, CRSs, and travel agencies that have been established over time. For example, if certain proposals are adopted, the airlines and CRSs will likely negotiate different terms for CRS participation. A substantial period will be needed for such negotiations. Clearly, the period of time between mid-January and the end of the month would be insufficient to allow the requisite arrangements to be completed. Similarly, depending upon the new regulatory scheme, the same problem may arise for the thousands of agreements between travel agencies and CRSs.

Under the circumstances, an appropriate transition period is essential. In this regard, Galileo agrees with the reply comments filed in this docket by the American Society of Travel Agents:

“A proposed transition scheme should be presented to the parties at the same time as the final decision on the rules package ....”

Reply Comments of the American Society of Travel Agents, Inc., Docket No. OST-97-2881, filed June 9, 2003, at 24 (emphasis in original).

### CONCLUSION

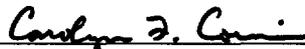
Galileo supports the Petition by Amadeus to eliminate the sunset date of January 31, 2004. If the Department makes significant changes to the existing CRS rules, the effective date of the new scheme should be postponed for a sufficient time to facilitate an orderly transition from the old rules to the new environment. Assuming the new regulatory scheme is published in January, 2004, Galileo proposes an extension of the existing rules to February 27, 2004, to facilitate a more orderly transition.

Respectfully submitted,

JOHN KIM  
Senior Vice President  
and General Counsel  
Galileo International, L.L.C.  
7 Sylvan Way  
Parsippany, New Jersey  
973-496-5767

THOMAS J. DEMAY  
Senior Counsel, Regulatory Affairs

Galileo International, L.L.C.  
9700 West Higgins Road  
Rosemont, Illinois 60018  
847-518-4800

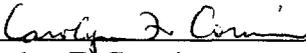
  
\_\_\_\_\_  
CAROLYN F. CORWIN  
Covington & Burling  
1201 Pennsylvania Ave., N.W.  
Washington, DC 20004  
202-662-6000  
202-662-6291 (facsimile)  
[ccorwin@cov.com](mailto:ccorwin@cov.com)

Counsel for Galileo International

November 7, 2003

## CERTIFICATE OF SERVICE

I hereby certify that I have, this 7th day of November 2003, caused to be served an electronic copy of the foregoing Response of Galileo International, L.L.C., to Petition to Eliminate the CRS Rules Sunset Date on the persons whose e-mail addresses are listed below.

  
Carolyn F. Corwin

balboa@balboa.com  
bbishins@ustar.com  
bfoer@antitrustinstitute.org  
bill.evans@piperrudnick.com  
bob.kneisley@wnco.com  
brabinovitz@wilmer.com  
brubin@astahq.com  
bruce.wark@aa.com  
carl.nelson@aa.com  
chris.colaco@shepherdsystems.com  
cjsimpson@zslaw.com  
cpil@sandiego.edu  
david.schwarte@sabre.com  
dbliss@omm.com  
dhainbach@bgairlaw.com  
dcoburn@steptoe.com  
donk@prestongates.com  
emseiden@gwsmplc.com  
engle.craig@arentfox.com  
epfaberman@uhlaw.com  
fjcostello@zslaw.com  
jburton@omm.com  
jklein@traveleaders.com  
jrb@mbblawyers.com  
jyoung@bakerlaw.com  
kquinn@pillsburywinthrop.com  
lswenson@mayerbrown.com  
mpestronk@aol.com  
mroller@rollerbauer.com

megan.rosia@nwa.com  
mgoldman@sbgdc.com  
msinick@ssd.com  
paulr@astahq.com  
rbkeiner@crowell.com  
rdmathias@zslaw.com  
robert.cohn@shawpittman.com  
rsilverberg@sbgdc.com  
terry@strattontravel.com  
whudgins@colliershannon.com