



IN THE MATTER OF an application by the Director of Investigation and Research under subsection 64(1) of the *Competition Act*, R.S.C. 1970, c. C-23, as amended;

AND IN THE MATTER OF a Limited Partnership formed to combine the operations of the Reservec and Pegasus computer reservation systems;

AND IN THE MATTER OF The Gemini Group Automated Distribution Systems Inc.

B E T W E E N :

The Director of Investigation and Research

Applicant

- and -

Air Canada
Air Canada Services Inc.
PWA Corporation
Canadian Airlines International Ltd.
Pacific Western Airlines Ltd.
Canadian Pacific Air Lines, Limited
154793 Canada Ltd.
153333 Canada Limited Partnership
The Gemini Group Automated Distribution Systems Inc.

Respondents

- and -

Consumers' Association of Canada
American Airlines, Inc.
Attorney General of Manitoba
Alliance of Canadian Travel Associations
Bios Computing Corporation
Air Atonabee Limited

Intervenors

CONSENT ORDER

Dates of Hearing:

April 24 - 28, 1989

Presiding Member:

The Honourable Madame Justice Barbara J. Reed

Judge:

The Honourable Mr. Justice Barry L. Strayer

Lay Member:

Dr. Frank Roseman

Counsel for the Applicant:

Director of Investigation and Research

John F. Rook, Q.C.
Sandra J. Simpson
Randal T. Hughes
Trevor S. Whiffen
Philip H. Horgan

Counsel for the Respondents:

(a) Air Canada

Marshall E. Rothstein, Q.C.
Marc M. Monnin

(b) PWA Corporation

Canadian Airlines International Ltd.
(including Pacific Western Airlines Ltd., and
Canadian Pacific Air Lines, Limited)

Jo'Anne Streckaf

- (c) **Air Canada Services Inc.**
154793 Canada Ltd.
153333 Canada Limited Partnership
The Gemini Group Automated Distribution Systems Inc.

Marshall E. Rothstein, Q.C.
Marc M. Monnin
Jo'Anne Streckf

Counsel for the Intervenors:

- (a) **Consumers' Association of Canada**
Janet Yale
- (b) **American Airlines, Inc.**
Colin L. Campbell, Q.C.
Lorne P. Salzman
- (c) **Attorney General of Manitoba**
Neville D. Shende, Q.C.
- (d) **Alliance of Canadian Travel Associations**
Douglas Crozier
- (e) **Air Atonabee Limited**
Donald Kubesh

Representative for Intervenor:

Bios Computing Corporation
Ernst von Bezold

COMPETITION TRIBUNAL
CONSENT ORDER

The Director of Investigation and Research

v.

Air Canada et al.

UPON application by the Director of Investigation and Research (the "Director") and the respondents for an order under section 105 of the *Competition Act*, R.S.C., 1985, c. C-34, upon reading the Agreed Statement of Facts and the Impact Statement, filed on behalf of the Director, upon hearing what was said by counsel for the applicant, the respondents and the intervenors and upon consent of the Director and all of the respondents:

1. THE COMPETITION TRIBUNAL ORDERS that Air Canada ("AC") and Canadian Airlines International Ltd. ("CDN") shall provide complete, timely and accurate information concerning their airline schedules, fares, fare rules and seat availability by class to all computer reservations systems ("CRS") operating in Canada, either directly or through carrier supported central agencies such as the Air Tariff Publishing Company ("ATP") and the Official Airline Guide ("OAG"), on the same basis and at the same time such information is furnished to The Gemini Group Automated Distribution Systems Inc.

("Gemini", which term shall also include 153333 Canada Limited Partnership, now The Gemini Group Limited Partnership). In particular, in no circumstances shall information concerning any restricted or special classes of seats or fares on AC and CDN available through Gemini be withheld from or deliberately be delayed in being provided to any other CRS operating in Canada. As long as affiliated airlines of AC and CDN continue to use the "AC" and "CP" designator codes, respectively, the information set out above in respect of those airlines shall be provided by AC and CDN in accordance with the provisions of this paragraph. For greater certainty for the purposes of this order, at the date hereof, the affiliated airlines which use the "AC" and "CP" designator codes are the following:

AC: Air B.C., Northwest Territorial Airways, Air Ontario, Air Alliance, Air Nova

CP: Time Air, Calm Air, Ontario Express, Inter-Canadien, Air Atlantic.

2. AND IT IS FURTHER ORDERED that AC and CDN shall participate in all CRSs operating in Canada on commercially reasonable terms.

3. AND IT IS FURTHER ORDERED that AC and CDN shall each make available to any other CRS operating in Canada requesting it, and on the same reasonable terms and conditions, the

same advance seat selection (pre-reserved seating) and boarding pass capability which has been provided to Gemini by each of them, provided a reciprocal capability is offered to Gemini by the owning carriers of such CRS. The costs of implementing these capabilities shall be borne by the CRS obtaining the capability and shall be the incremental unmarked-up cost of providing it subject to independent audit.

4. AND IT IS FURTHER ORDERED that, subject to technological limitations and on commercially reasonable terms, Gemini shall make available to its travel agent subscribers any and all enhancements which are made available to Gemini by carriers participating in Gemini.

5. AND IT IS FURTHER ORDERED that AC and CDN shall make available to all CRSs operating in Canada, at the cost of the CRS and on a reciprocal basis, direct access links to provide last seat availability on AC and CDN and affiliated airlines which use the "AC" and "CP" designator codes, respectively. These links shall be of both a "look but not book" and a "look and book" variety connecting the CRS to the internal reservations systems databases of both AC and CDN on the following terms and conditions:

(a) "Look but not Book" Link

Upon request by any other CRS and subject to paragraph 9 herein, AC and CDN shall provide a "look but not book" link, with effect from January 31, 1990, on a "first come first served" basis provided that the CRS presently operating in Canada known as "Sabre" is first in line.

(b) "Look and Book" Link

Upon request by any other CRS, AC and CDN shall provide a "look and book" link, with effect from June 30, 1991, on a "first come first served" basis.

(c) These links shall remain operational except with the consent of the parties to the link or as a result of technical failure. Where technical failure is claimed, the Director may require proof of such failure.

(d) The CRS requesting the aforementioned direct access links shall bear the respondents' incremental unmarked-up costs of providing such links which costs shall be subject to independent audit. In the event Sabre requests a "look but not book" link, the cost to Sabre of providing this link shall not exceed \$600,000 (Canadian) for the link to AC and \$300,000 (Canadian) for the link to CDN.

(e) Upon request by any CRS excepting Apollo for a "look but not book" link to AC and CDN to be effective January 31, 1990, such request shall be made on or before July 31, 1989. Thereafter, the respondents shall enter into contract negotiations with the CRS requesting the link. This contract shall include the terms and conditions contained in this order for establishing and operating the link and shall incorporate the CRS Rules which shall have effect from the date of the contract (so long as they remain part of this order). In the event there is a dispute about the terms and conditions of this contract which is not resolved by September 30, 1989, such dispute shall be resolved by binding arbitration which is not to alter the terms noted herein. This order shall constitute a submission to binding arbitration of any such dispute pursuant to the provisions of the *Ontario Arbitrations Act*, R.S.O. 1980, c. 25, as amended. The link shall be tested and operational effective January 31, 1990, notwithstanding any such dispute.

(f) In the event of any other request by any CRS excepting Apollo for a "look but not book" link to AC and CDN to take effect after January 31, 1990, such request shall be made at least four months prior to the effective date of the link. Thereafter, the respondents shall enter into contract negotiations with the CRS requesting the link. This contract shall include the terms and conditions contained in this order for establishing and operating the link and shall incorporate the CRS Rules which shall have effect

from the date of the contract (so long as they remain part of this order). In the event there is a dispute about the terms and conditions of this contract which is not resolved within one month, such dispute shall be resolved by binding arbitration which is not to alter the terms noted herein. This order shall constitute a submission to binding arbitration of any such dispute pursuant to the provisions of the *Ontario Arbitrations Act*, R.S.O. 1980, c. 25, as amended. The link shall be tested and operational effective three months from the date of the contract or the date of submission to binding arbitration, notwithstanding any such dispute.

(g) Upon request by any CRS for a "look and book" link to AC and CDN to take effect on or after June 30, 1991, such request shall be made at least seven months prior to the effective date of the link. Thereafter, the respondents shall enter into contract negotiations with the CRS requesting the link. This contract shall include the terms and conditions contained in this order for establishing and operating the link and shall incorporate the CRS Rules which shall have effect from the date of the contract (so long as they remain part of this order). In the event there is a dispute about the terms and conditions of this contract which is not resolved within one month, such dispute shall be resolved by binding arbitration which is not to alter the terms noted herein nor address the matter of the premium, if any, for airline bookings made over such link. This order shall constitute a submission to binding

arbitration of any such dispute pursuant to the provisions of the *Ontario Arbitrations Act*, R.S.O. 1980, c. 25, as amended. The link shall be tested and operational effective six months from the date of the contract or the date of submission to binding arbitration, notwithstanding any such dispute.

(h) The obligations of AC and CDN to provide and maintain the links referred to in this order shall apply without restriction to all commercially significant CRSs including the CRSs known as Abacus, Amadeus, Apollo, Datas II, Fantasia, Galileo, Pars, Sabre and System One. Where the term "CRS" is used in this order, it shall be deemed to mean those CRSs set out in this paragraph.

(i) Nothing in this order is intended to restrict the rights of the parties to any link contracts to pursue injunctive or monetary relief in courts of competent jurisdiction, or through binding arbitration with the agreement of the parties, for breach of the terms of the contracts including breach of the CRS Rules, provided that no such action be commenced without prior written notification to the Director.

6. AND IT IS FURTHER ORDERED that AC and CDN shall pay to all CRSs operating in Canada the prevailing non-discriminatory segment booking fees of such CRSs established from time to time in North America, for airline bookings on AC and CDN including any

prevailing premium for airline bookings made on the aforementioned "look but not book" link which premium is currently \$0.25 U.S. per booking. With respect to the "look and book" links, the premium, if any, for airline bookings over such links shall be a matter of commercial negotiation between the parties to the link contracts, provided that, if Gemini charges a premium for bookings over any "look and book" links it has with other airlines (the "Gemini premium") the premium payable by AC and CDN for bookings made by other CRSs over such links shall not be less than the Gemini premium.

7. AND IT IS FURTHER ORDERED that AC and CDN shall honour all reservations made over the "look but not book" links in accordance with current industry practice.

8. AND IT IS FURTHER ORDERED that the provisions of paragraphs 5 and 7 herein shall apply *mutatis mutandis* to the reciprocal direct access links to be made available to Gemini unless with respect to paragraph 5 the parties to the links to be installed otherwise agree.

9. (a) AND IT IS FURTHER ORDERED that whereas AC, PWA Corporation ("PWAC") and Gemini, having entered into a Memorandum of Understanding dated March 15, 1989, with Covia Partnership ("Covia") which contemplates that Covia will become a

one-third owner of Gemini and that Gemini will acquire successor software based upon that utilized by a CRS known as Apollo in the United States, there shall be no limitations on the marketing of Apollo in Canada by Apollo or Gemini subject only to there being no direct access links providing Apollo subscribers, *inter alia*, with last seat availability on AC and CDN and affiliated airlines which use the "AC" and "CP" designator codes, respectively, either until the Sabre link referred to in paragraph 5(e) herein has been fully operational for a period of 30 days or on June 30, 1990.

(b) AND IT IS FURTHER ORDERED that any link to Apollo prior to June 30, 1991, shall be a "look but not book" link unless, prior to that date, a "look and book" link has been implemented for Sabre or offered to and refused by Sabre.

10. AND IT IS FURTHER ORDERED that PWAC shall not take steps to terminate the link currently existing from Wardair Inc. and/or Wardair Canada Inc. ("Wardair") to Sabre so long as Wardair is hosted in a CRS other than Gemini. In the event that Wardair becomes hosted in Gemini, a "look but not book" link between Wardair and Sabre providing Sabre with last seat availability on Wardair shall be maintained if it is technically feasible to do so. The Director may require proof of any technological limitations leading to the termination of the currently existing link from Wardair to Sabre.

11. AND IT IS FURTHER ORDERED that the respondents shall comply with the Computer Reservation System Rules ("CRS Rules"), which form part of this order and are attached as Schedule "A" hereto, as of the date of this order. For the purposes of the CRS Rules, CDN shall be deemed to be an "owning carrier" of Gemini so long as it is owned or controlled, directly or indirectly, by an entity that has at least a 20 per cent ownership interest in Gemini. Pending the implementation by Gemini of successor software, Gemini shall comply with sections 4 and 8 of the CRS Rules only to the extent that it is able to do so within its existing technological limitations. The Director may require proof of any such inability to comply.

12. AND IT IS FURTHER ORDERED that Gemini shall within 60 days of the date of this order, provide to all its subscribers a copy of this order, including the CRS Rules, and provide to the Director within 75 days of the date of this order a letter from the President of Gemini indicating that this paragraph has been complied with.

13. AND IT IS FURTHER ORDERED that AC and CDN shall indicate in writing to all travel agents who sell their products, within 60 days of the date of this order, that airline promotions and

incentives to travel agents are not conditional upon the use of a particular CRS.

14. AND IT IS FURTHER ORDERED that AC and CDN shall not directly or indirectly cause the affiliated airlines who share AC and CDN's designator codes to act in a manner that would constitute a breach of paragraphs 1, 2, 3, 5, 6 and 11 of the order on the part of AC and CDN, if AC and CDN acted in a similar manner. In particular, AC and CDN shall encourage such affiliated airlines to participate in all CRSs operating in Canada on commercially reasonable terms.

15. AND IT IS FURTHER ORDERED that AC and CDN shall advise the Director in the event they become aware that affiliated airlines who share AC and CDN's designator codes act in the manner described in paragraph 14 so that he may take such action in respect of AC, CDN and such affiliated airlines as he deems appropriate.

16. AND IT IS FURTHER ORDERED that the respondents and each and every one of their respective directors, officers, managers, servants, employees, agents, or any of them, shall not share or exchange commercially sensitive airline information through the operations of Gemini, including, but not limited to, seat inventory information in respect of individual carriers to a greater extent than such information is accessible by Gemini subscribers, where such

sharing or exchange would facilitate agreement to share markets or fix the level of prices between AC, including its affiliated airlines, on the one hand and PWAC, Wardair and CDN, including its affiliated airlines, on the other. An officer of each of the Respondents shall provide a report to the Director on or before February 1st of each year that it has complied with this provision in the prior year.

17. AND IT IS FURTHER ORDERED that PWAC shall cause Wardair to abide by the terms of this order to the same extent as CDN is bound.

18. AND IT IS FURTHER ORDERED that each and every paragraph of this order that applies to any respondent shall be applicable to any corporate successor of such respondent.

19. AND IT IS FURTHER ORDERED that in the event of a dispute as to the interpretation of this order, the Director and the respondents shall be at liberty to apply to the Tribunal for a further order interpreting any of the provisions of this order. Nothing in this paragraph is intended to restrict the power of the Tribunal to rescind or vary this order in the event of a change in circumstances, including the regulation of CRSs operating in Canada by the Government of Canada, pursuant to section 106 of the *Competition Act*, R.S.C., 1985, c. C-34.

DATED at Ottawa, this 7th day of July, 1989, with written reasons to follow.

SIGNED on behalf of the Tribunal by the presiding judicial member.

(s.) B. Reed
B. Reed

SCHEDULE "A"

COMPUTER RESERVATION SYSTEM RULES

COMPETITION TRIBUNAL

The Director of Investigation and Research

v.

Air Canada et al.

COMPUTER RESERVATION SYSTEM RULES

1. Definitions

(a) "Affiliate" means any person owned by, controlled by, or under common control with a carrier.

(b) "Availability" means information provided in display with respect to the seats a carrier holds out as available for sale on a particular flight.

(c) "Carrier" means any air carrier that is engaged directly in the operation of aircraft in passenger air transportation within, to or from Canada.

(d) "Discriminate", "discrimination", and "discriminatory" mean, respectively, to discriminate unjustly, unjust discrimination and unjustly discriminatory.

(e) "Display" means the system's presentation of carrier schedules, fares, rules or availability to a subscriber by means of a computer terminal.

(f) "Owning carrier" means any carrier that has directly or indirectly at least a 20 per cent ownership interest in a system or a system vendor.

(g) "Participating carrier" means a carrier, including a hosted carrier, that has an agreement or an arrangement with a system vendor for display of its flight schedules, fares, or seat availability, or for the making of reservations or issuance of tickets through a system. For greater certainty, a system vendor that is a carrier or an owning carrier of a system vendor shall be considered as a participating carrier with respect to that system vendor.

(h) "Primary display" means any display presented by a system vendor to comply with section 4.

(i) "Service enhancement" means any product or service offered to subscribers or passengers by a system vendor in conjunction with a system other than the display of information on schedules, fares, rules and availability, and the ability to make reservations or to issue tickets for air transportation.

(j) "Subscriber" means a travel agent or other person that holds itself out as a neutral source of information about, or tickets for, the air transportation industry and that uses a system.

(k) "System" means a computerized airline reservation system offered by a system vendor to subscribers for use in Canada that contains information about schedules, fares, rules or availability of carriers and that provides subscribers with the ability to make reservations and to issue tickets.

(l) "System vendor" means any entity that owns, controls or operates a system.

2. Purpose

(a) The purpose of these Rules is to set forth requirements for operation by system vendors of computer reservation systems used by subscribers so as to prevent unfair, deceptive, predatory and anti-competitive practices in air transportation and in the provision to subscribers of systems and services through such systems. These Rules shall not apply to agreements or arrangements between hosted carriers and system vendors for non-system related services.

(b) Nothing in these Rules operates to exempt any person from the operation of the *Competition Act*, R.S.C., 1985, c. C-34, as amended (the "*Competition Act*").

3. Applicability

These Rules apply in Canada to carriers and system vendors where so ordered by the Competition Tribunal or where they agree by contract to be bound by the Rules.

4. Display of Information

(a) The system shall provide a primary display or primary displays that include the schedules, fares, rules and availability of all carriers in accordance with the provisions of this section. Primary displays shall be as useful for subscribers, in terms of functions or enhancements offered, and the ease with which such functions or enhancements can be performed or implemented, as any other displays maintained by the system vendor. The system vendor shall make the primary display available for each transaction so that subscribers must enter a request specific to that transaction for a display other than the primary display to be made available. For greater certainty, a secondary display can be requested for each transaction without a primary display being called up.

(b) In ordering the information contained in a primary display, the system vendor shall not use any factors directly or indirectly relating to carrier identity.

(1) The system vendor may order the display of information on the basis of any service criteria that do not reflect carrier identity and that are consistently applied to all carriers and to all markets.

(2) The system vendor shall provide to any person upon request the current criteria used in ordering flights for the primary displays and the weight given to each criterion.

(c) The system vendor shall not use any factors directly or indirectly relating to carrier identity in constructing the primary displays of connecting flights.

(1) The system vendor may select the connecting points to be used in the construction of connecting flights for each city-pair on the basis of any service criteria that do not reflect carrier identity and that are applied consistently to all carriers and to all markets.

(2) The system vendor may select connecting flights for inclusion ("edit") on the basis of service criteria that do not reflect carrier identity and that are applied consistently to all carriers.

(3) The system vendor shall provide upon request to all subscribers and participating carriers current information on:

- (i) all connecting points used for each market;
- (ii) all criteria used to select connecting points;
- (iii) all criteria used to "edit" connecting flights;
and
- (iv) the weight given to each criterion in (ii)
and (iii) above.

(4) If the system vendor selects connecting points for use in constructing connecting flights, it shall use at least nine points for each city-pair, except that the vendor may select fewer than nine such connecting points for a city-pair where:

- (i) fewer than nine connecting points meet the service criteria described in paragraph (c) (1) of this section; and
- (ii) the vendor has used all the points that meet those criteria, along with all additional points requested by participating carriers.

(d) The system vendor shall apply the same standards of care and timeliness to loading the information of each and every participating carrier.

(1) If the system vendor provides special loading capability to any participating carrier, it shall offer the same capability to all participating carriers as soon as technically feasible.

(2) The system vendor shall provide upon request to all participating carriers all current data base update procedures and data formats.

5. Contracts with Participating Carriers

(a) The system vendor shall not discriminate among participating carriers in the fees for participation in its system, or for system-related services. Differing fees to participating carriers for the same or similar levels of service shall be presumed to be discriminatory. This Rule shall not apply in respect of fees charged to non-owning carriers pursuant to contracts in existence as of April 1, 1989.

(b) The system vendor shall not condition participation in its system on the purchase or sale of any other goods or services.

(c) The system vendor shall provide upon request to carriers current information on its fee levels and fee arrangements with participating carriers.

(d) The system vendor shall not discriminate in providing access to the system to any carrier willing to pay the non-discriminatory fee and comply with the system vendor's customary terms.

6. Contracts with Subscribers

(a) No new or renewed subscriber contract shall have a term in excess of three years. As at the date these Rules become applicable to the system vendor, the system vendor shall not enforce an unexpired term in excess of three years in its existing subscriber contracts.

(b) Neither the system vendor nor its owning carrier(s) shall directly or indirectly prohibit a subscriber from obtaining or using any other system.

(c) No carrier shall require use of any system by the subscriber in any sale of its air transportation services.

(d) The owning carrier(s) shall not directly or indirectly require a subscriber or potential subscriber to use the system in which it has an ownership interest as a condition for the receipt of any commission or other incentive for the sale of or access to air transportation services of it or of its carrier affiliates.

(e) The system vendor shall not charge prices to subscribers conditioned in whole or in part on the identity of carriers whose flights are sold by the subscriber.

(f) The system vendor shall not include as part of its contracts with subscribers any rollover provisions, including any provision that by its terms requires the automatic extension of the contract beyond the stated date of termination because of the addition or deletion of equipment.

(g) The system vendor shall not include liquidated damage clauses based on segment bookings or airline revenues as part of its new or renewed subscriber contracts. As of the date these Rules become applicable to the system vendor, the system vendor shall not enforce such liquidated damage clauses in its existing subscriber contracts.

7. Access to Airline Information

The owning carrier(s) shall provide complete, timely and accurate information concerning their airline schedules, fares, fare rules and seat availability by class to all systems operating subscriber locations in Canada, either directly or through carrier-supported central agencies such as the Air Tariff Publishing Company ("ATP") and the Official Airline Guide ("OAG"), on the same basis and at the same time as such information is provided to the system or system

vendor owned by such carriers. In particular, in no circumstances shall information concerning any restricted or special classes of seats or fares on the owning carrier(s) available through the system or system vendor owned by such carriers be withheld from any other system operating subscriber locations in Canada.

8. Service Enhancements

(a) In the event that the system vendor offers a service enhancement to any participating carrier, it shall offer it to all participating carriers on non-discriminatory terms, subject to technical limitations of the participating carrier.

(b) Subject to technological limitations and on commercially reasonable terms, the system vendor shall make available to its subscribers any and all enhancements which are made available to the system vendor by carriers participating in it.

9. Marketing Information

The system vendor shall make available to all participating carriers on non-discriminatory terms all non-carrier-specific marketing, booking and sales data that it elects to generate from its system.

10. Ticketing

The owning carrier(s) shall, without discrimination, allow any system vendor in whose system it participates to issue tickets if:

(a) the system vendor agrees to issue such tickets on terms and conditions that are commercially reasonable and non-discriminatory; and

(b) such tickets are issued by the system vendor in accordance with industry standards;

except that this obligation shall not apply in respect of a system vendor whose owning carrier(s) discriminates among system vendors in respect of the issuance of its tickets.

11. Exceptions

(a) The obligations of the system vendor under section 4 shall not apply with respect to a carrier that refuses to enter into a contract that complies with these Rules or fails to pay a non-discriminatory fee. The system vendor shall apply its policy concerning treatment of non-paying carriers on a uniform basis to all such carriers, and shall not receive payment from any carrier for

system-related services unless such payments are made pursuant to a contract complying with these Rules.

(b) The obligations of the system vendor under section 4 shall not apply to any foreign air carrier that operates or whose affiliate operates an airline computer reservation system for travel agents outside Canada that does not display the flights of all Canadian carriers equally with the flights of the foreign carrier.

12. Enforcement

Nothing in these Rules is intended to restrict the rights of the parties to any link contracts to pursue injunctive or monetary relief in courts of competent jurisdiction, or through binding arbitration with the agreement of the parties, for breach of the terms of the contracts including breach of these Rules, provided that no such action be commenced without prior written notification to the Director of Investigation and Research under the *Competition Act* (the "Director").

13. The system vendor shall provide to all its subscribers before entering into a contract or renewal thereof a copy of these Rules. On or before February 1st of each year the President or Chief Executive Officer of the system vendor shall provide the Director with a letter indicating that this provision has been complied with.

14. The owning carrier(s) shall indicate in writing to all travel agents who sell their products at least once each year that it is the policy of the owning carrier(s) that airline promotions and incentives to travel agents are not conditional upon the use of a particular CRS system.

15. An officer of the owning carrier and the system vendor shall provide a report to the Director on or before February 1st of each year indicating that the owning carrier(s) and system vendor have complied with these Rules in the prior year. The report shall include a schedule which indicates any periods in which any direct access link between the data bases of the owning carrier(s) and system vendors operating in Canada were non-operational and provide an explanation of each such non-operation.

DATED at Ottawa, this 7th day of July, 1989, with written reasons to follow.

SIGNED on behalf of the Tribunal by the presiding judicial member.

B. Reed
B. Reed