



HOTREC makes 3 proposals for more fairness and transparency in platform to business relations at today's EP Public Hearing

Brussels, 19 June 2018 - In today's public hearing of the European Parliament on platform to business relation, HOTREC emphasised the need for further fine-tuning the recently proposed Commission Regulation. The European hotel market is characterized by small and medium sized enterprises which become increasingly dependent on just two major online intermediaries. This fosters huge imbalances and leads to practices which have to be regulated.

"The European Commission's proposal on platform to business relations is a good step in the right direction towards fairer and more transparent online marketplaces", stated Christian de Barrin, CEO of HOTREC at the public hearing. *"This draft recognizes years of work by HOTREC and its Members to promote benchmarks of fair practices"* added Mr. de Barrin. However, there are still three key aspects which need further fine-tuning before the adoption of the final legislation:

One is the control over businesses' brand names. Brands and intellectual property are the most precious value of any business, and therefore platforms shall not make use of brands without the explicit and conscious consent of the owner.

The second is the access to data. Business users shall have access to the data they generate by placing their inventory on platforms. Indeed, relationships between a customer and a hotel shall not be operated through the platform when the booking is completed. Furthermore, access to data would allow hotels to better serve their customers. In times of Big Data this is a question of balancing opportunities as well.

Thirdly, businesses shall be able to have the control over the conditions of their own sale or distribution. Thus it shall be prohibited for platforms to restrict businesses' freedom to offer different conditions on their own channels. This currently hinders the emergence of potentially new business models and thus also competition on the market.

"HOTREC is looking forward to further cooperating with the Parliament and the Council to create a fair and transparent market framework for online intermediated services", adds Markus Luthe, Chair of HOTREC's Distribution Task Force.

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What is HOTREC?

HOTREC represents the hotel, restaurant and café industry at European level. The sector counts in total around 1.9 million businesses, being 99,5% small and medium sized enterprises (90% are micro enterprises, i.e. employing less than 10 people). These businesses make up some 60% of value added. The industry provides some 11.1 million jobs in the EU alone. Together