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**HOTREC¹ reply to the European Commission's consultation on
consumer collective redress benchmarks**

HOTREC welcomes the Commission's initiative to launch a consultation on consumer collective redress benchmarks.

HOTREC will not comment in detail on the benchmarks which are too general to be assessed. However, HOTREC would like to stress, on behalf of the hospitality industry, few principles that any collective redress mechanism should respect:

- Any collective redress system should ensure that the introduction of unmeritorious claims is effectively discouraged;
- The defendant should not be unreasonably burdened;
- Special attention should be given to the risks for the defendant's reputation. Particular attention should be paid to the risks of "legal extortion" and blackmailing by non-genuine plaintiffs;
- Out-of-court settlement should be further encouraged.

Yours Sincerely,



Marguerite Sequaris

CEO of HOTREC

¹ HOTREC represents the hotel, restaurant and café industry at European level. It counts 1.6 million businesses, with 92% of them being micro enterprises employing less than 10 people. The micro and small enterprises (having less than 50 employees) in the hospitality industry representing 99% of businesses make up some 62% of value added. The industry provides some 9 million jobs in the EU alone. HOTREC brings together 40 National Associations representing the interest of the industry in 25 different European countries.