

## **The CNMC opens formal antitrust proceedings against Booking.com for possible anticompetitive practices affecting hotels and online travel agencies**

- The conduct under investigation may entail unfair trading conditions to hotels located in Spain.
- The investigation also covers practices that may exploit a situation of economic dependence for these hotels.
- Moreover, the practices may affect the provision of intermediation services to hotels by online travel agencies.

**Madrid, 17th October 2022.-** The CNMC has opened formal antitrust proceedings against Booking.com B.V. for possible anticompetitive practices prohibited under articles 2 and 3 of the Spanish Competition Act (SCA), and under article 102 of the Treaty on the Functioning of the European Union (TFEU) (file S/0005/21).

On the one hand, the conduct under investigation covers several practices that may constitute an abuse of a dominant position in the provision of intermediation services to hotels by online travel agencies (OTAs). In particular, these practices may involve (i) imposing unfair trading conditions on hotels located in Spain, and (ii) commercial policies that may have exclusionary effects on other OTAs, as well as other online sales channels.

On the other hand, the conduct under investigation also covers practices that may entail the exploitation of a situation of economic dependence of hotels located in Spain. This, in turn, may amount to unfair competition acts affecting public interest due to the distortion of free competition they have produced.

The investigation stems from two complaints filed before the CNMC by the Spanish Association of Hotel Managers (Asociación Española de Directores de Hotel) and the Regional Hotel Association of Madrid (Asociación Empresarial Hotelera de Madrid).

After reviewing the complaints received and information gathered under the preliminary investigation, the Competition Directorate of the CNMC considers that there are grounds to support the possibility that Booking.com B.V. may have breached articles 2 and 3 of the SCA and article 102 of the TFEU.

The opening of formal proceedings does not prejudice the final result of the case. The CNMC has now a maximum period of 18 months for conducting its investigation and reaching a final decision.