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

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DOCKET SECTION

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)  
COMPUTER RESERVATIONS SYSTEM (CRS) )  
REGULATIONS )  
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Docket OST-97-2881 -16

COMMENTS OF TOWER AIR, INC.

Communications with respect to this document should be sent to:

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General Counsel to  
TOWER AIR, INC.

December 9, 1997

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DEPARTMENT OF TRANSPORTATION  
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Docket OST-97-2881

COMMENTS OF  
TOWER AIR, INC.

Tower Air, Inc. hereby submits the following comments in response to the Department's request for carrier views regarding the Petition of America West Airlines for Rulemaking:

Tower Air strongly supports the requests made by America West in its Petition for Rulemaking and urges the Department to implement them as soon as possible.

Tower Air has experienced the same serious unfair practices and unfair methods of competition regarding booking practices and fees charged by CRS vendors that America West has described in detail in its Petition. As a consequence of passive bookings, duplicative bookings, speculative and fictitious bookings and the churning of bookings – all illegitimate practices which are encouraged by CRS vendors through so-called “productivity” incentives given to subscribing travel agents – Tower Air estimates it will be forced to pay approximately \$500,000 in 1998 for CRS activities that provide neither it nor the traveling public any benefit. In addition to this direct

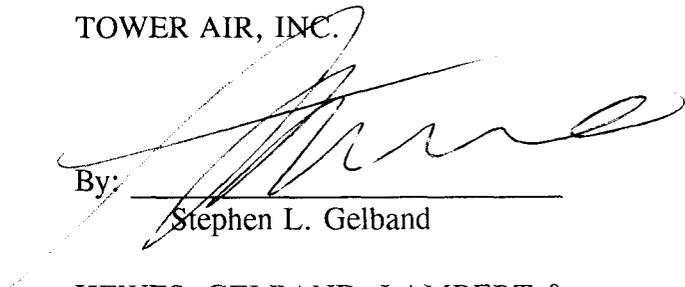
monetary loss, Tower Air will also experience substantial inventory loss and customer inconvenience as a result of these practices.

America West has explained that market forces cannot effectively eliminate these abuses because non-CRS owning carriers have no negotiating leverage. This is particularly true with respect to smaller carriers such as Tower Air who must rely upon other carriers' CRS systems to market most of their tickets. We agree with America West that only our Government is capable of bringing these abuses to an end.

Tower Air also wholeheartedly endorses America West's proposals for resolving illegitimate booking problems: imposition of a booking fee limitation and requiring CRS vendors to reject passive bookings when requested by subscribing carriers. Tower Air strongly urges the Department to adopt these proposals and to make them effective as soon as possible. Both airlines and travelers will substantially benefit from such actions.

Respectfully submitted,

TOWER AIR, INC.

By: 

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