

BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION  
DOCKET SECTION

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QA 29507

In the Matter of

COMPUTER RESERVATIONS SYSTEMS  
(CRS) REGULATIONS

Docket OST-97-2881-52

COMMENTS OF  
SYSTEM ONE AMADEUS L.L.C.

Communications with respect to  
this document should be sent to:

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SYSTEM ONE AMADEUS L.L.C.  
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Houston, TX 77019

and

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December 9, 1997

26 pgs.

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DEPARTMENT OF TRANSPORTATION  
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**Introduction**

System One Amadeus submits this response to the Department's Advance Notice of Proposed Rulemaking ("ANPRM") from the unique perspective of a new type of entity in the CRS market. System One Amadeus is a national marketing company ("NMC") of the European-based CRS, AMADEUS. Although System One Amadeus is equally owned by AMADEUS (a CRS), Continental (an airline with a small ownership interest in a CRS) and Electronic Data Systems ("EDS"), this response does not address the concerns of either CRS vendors or system owners. Instead, System One Amadeus responds to the ANPRM as a non-airline, non-vendor CRS distributor which believes that the traveling public and CRS industry benefit most when competition among CRSs is based on product, price and service.

December 9, 1997

Unfortunately, system owner ties -- not product, price and service -- determine which CRS will be successful in today's CRS environment. The more dominant a system owner-airline is in a city, market or region, the more creative and oppressive are the ties and leverage exerted by that system owner. The Department's overriding concern in reevaluating and readopting the CRS rules should be to create a truly competitive CRS marketplace in which the dominance of CRS system owners is reduced, thereby enhancing the ability of all airlines -- CRS owners and non-owners alike -- to compete on a level playing field.

1. The Department Should Renew and Strengthen The CRS Rules.

Unquestionably the CRS rules are in the public interest and essential to protect against anticompetitive abuses in the CRS industry. As the Department said last week:

Airline travellers in the United States usually buy airline services through travel agencies, and travel agents almost always use a CRS to determine what airline services and fares are available and to make bookings. When a travel agent asks a CRS to show what services are available in a particular city-pair market, the system will display a listing of such services created according to the system's editing and ranking criteria for displays. Each of the CRSs operating in the United States is entirely or predominantly owned by one or more airlines or airline affiliates that would have the ability and incentive to use the systems to prejudice the competitive position of other airlines if the systems were not regulated.

62 Fed. Reg. 63837, 63838 (December 3, 1997). Study after study conducted by the Department and others have indicated that airline dominance was linked to

CRS dominance and CRS dominance was linked to airline dominance, creating a real, not theoretical, vicious circle. That dynamic makes it almost impossible for new or expanding airlines to compete effectively with the dominant system-owner airlines. A system owner without CRS dominance in a particular market is driven to convert travel agencies and corporations in that market to its CRS as a way to guarantee the success of the owner-airline's air service in that market. While System One Amadeus applauds the Department for recognizing these unholy ties between system-owners and the CRSs they own, the Department must do more to guard against anticompetitive abuse resulting from those ties.

2. The CRS Rules Should Apply to System Owner Agreements With Corporations.

The Department decided in 1992 that it would not "adopt a general prohibition against an airline's tying the availability of special corporate fares to use of its affiliated system for booking the fares." 57 Fed.Reg. 43780, 43801. This decision has opened a huge anticompetitive loophole in the CRS industry. Corporate emphasis on cost-cutting and the strength of the domestic hub system have created a power shift that puts the travel and distribution control squarely in the hands of system owner airlines. Successful travel agencies survive on a mix of corporate and leisure travel sales: the leisure sales produce higher commission rates and the corporate sales provide security of continued business during leisure off-peak periods. This concentration of power has enabled system owners to mandate that their discounted corporate bookings be processed exclusively

through their own CRSs. The net effect is that a corporate subscriber must either switch to the preferred CRS to maintain its discount eligibility or face the prospect of going out of business. For example, Burger King enjoyed discounts on American until American learned that Burger King had contracted with System One/AMADEUS to process its travel through an AMADEUS subscriber, at which time American refused to renew its corporate discount contract with Burger King. American subsequently demanded that Burger King replace System One/AMADEUS with American-owned Sabre to regain its corporate discount on American, and Burger King reluctantly terminated its System One agreement because of that pressure from American.<sup>1</sup> Similarly, Delta's corporate agreement provides that the corporate discount applies only "if reservations are made and tickets issued for travel . . . on the Worldspan Reservations System."<sup>2</sup> A System One Amadeus subscriber in the Savannah area was coerced by Delta into using only WorldSpan to retain the Savannah Port Authority as a customer. The Department should prohibit this type of harmful interference by CRS vendors and airlines that own, market or are hosted in one or more CRSs.

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<sup>1</sup> See Amended Complaint in System One Information Management, L.L.C. v. American Airlines, Inc., and The Sabre Group, Inc. Case No. 97-03838 (Cir. Court, Dade Co., Fla.), filed February 21, 1997 (attached as Exhibit 1 hereto).

<sup>2</sup> See Exhibit 2.

3. The Tying Rule Should Be Better Defined and Should Prohibit All Perks and Services.

Section 255.8(c) of the CRS rules states, "No system owner may require use of its system by the subscriber in any sale of its air transportation services."

Choosing to read the tying prohibition as narrowly as possible, some system owners are circumventing its intent by tying numerous perks and service advantages (including free access to support personnel) to use of a system.

Additionally, system owners are forcing subscribers to use their CRS by threatening loss of perks, standard servicing of subscriber clients and free access to support services. An example is Northwest's withdrawal of free access to sales support, "one of the most important elements of our business today," from agencies that do not "have contractual selling relationships with Northwest or subscribe to WorldSpan as their primary CRS."<sup>3</sup> When the Department renews the CRS rules, it should unequivocally outlaw all forms of tying benefits and services by airline owners, marketers and hosted carriers.

4. The System Owner Participation Rule Should be Tightened To Require Simultaneous Enhancements in All CRSs.

Although Section 255.7(a) of the CRS rules requires "[e]ach system owner [to] participate in each other system," some system owners believe they can lawfully choose when they want to participate in competing systems. This unreasonable interpretation has adversely affected System One Amadeus and

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<sup>3</sup> See Exhibit 3.

many of its customers. One focus of this predatory activity against System One Amadeus by airlines with an ownership interest in other CRSs has been electronic ticketing ("ET") capability. U.S. airlines promoted their joint discussions on ET functionality to the Department of Justice ("DOJ") by showing that ET would not be a competitive tool, initial developers of ET capability did not use it for competitive gain and the ET pioneers (United, Continental and America West) worked with all CRSs which offered the functionality. Neither the early advocates of ET nor the DOJ anticipated that other CRS owners would withhold ET functionality from competing CRSs as a way to give their own CRSs a marketing advantage. Although Northwest, TWA and American were relatively late in developing ET capability, they each quickly recognized the competitive edge which the new ET capability could produce. Northwest and TWA were particularly adept in using ET capability to benefit their own CRS, WorldSpan, at the expense of System One Amadeus. In the almost two-year period when they withheld ET

capability from AMADEUS, Northwest and TWA moved a significant amount of System One business to WorldSpan.<sup>4</sup>

American, an even later entrant into the ET arena, held initial discussions with AMADEUS about implementation in early 1997. Those discussions ended because American said it was not yet ready to develop the necessary interfaces for ET facilitation. While Sabre has benefited from American ET capability since September 1996, American has said it will not have sufficient resources to implement the same capability in AMADEUS until some time in 1998. Again, a number of the loyal AMADEUS subscribers with corporate customers who travel on American are feeling the pinch of not having access to American ET. They have advised System One Amadeus that they will have no alternative but to convert to Sabre if the capability is not available soon.

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<sup>4</sup> Northwest and TWA implemented an ET ticketing capability in WorldSpan in 1996, but they declined to implement a similar capability in System One on the ground that System One's database was to be consolidated with the AMADEUS database. Although they promised ET capability would be available in AMADEUS by March 1997, they did not make the ET capability available in AMADEUS until September 1997. In the interim, both airlines used the ET capability to move business from AMADEUS to Worldspan. TWA offered mileage premiums to anyone using an E-ticket, which meant the booking had to be accomplished either through WorldSpan or directly with TWA. Northwest's approach was more subtle and directed at corporate travellers. In April 1997, a System One customer lost a corporate account because it could not provide ET on Northwest. As a result, the customer bought out its contract. System One lost other subscribers and corporate customers due to the same tactics, which were the last straw for some loyal System One subscribers who had suffered through Northwest and WorldSpan coercion since 1995.

A less onerous, but nevertheless problematic example of withholding functionality by a system owner involves United's frequent flyer upgrade process. The Department knows well the importance of frequent flyer programs to the traveling public, especially those programs which allow cabin upgrades based on program status. United allows some frequent flyers to upgrade to the first-class cabin within a designated number of hours prior to flight departure. Apollo automatically facilitates this upgrade through the system for Apollo subscribers even when that designated timeframe has not been met. In contrast, a System One Amadeus customer must wait for the designated timeframe and then call United to upgrade its clients. Although United processes the upgrade when space is available regardless of the CRS used by the travel agency, the potential for mishandling the precious upgrade by a non-Apollo subscriber is great. In the battle for corporate accounts in high density United markets, this minor architectural bias for United is an effective competitive tool when an agency is trying to secure or keep corporate clients and when a CRS is competing to keep or secure customers.

Losing loyal customers because the product, price or service are not competitive is a serious problem, but it is a problem over which System One Amadeus has control and can correct. Losing customers because a competing system owner deliberately refuses to work diligently toward implementation of equal functionality is anticompetitive behavior which System One Amadeus can

document for the Department, but it is a practice which the Department itself must outlaw.

5. Participating Airlines Should Be Required to Provide Complete and Accurate Information to All CRSs.

With the transition to the AMADEUS database, System One Amadeus is encountering new and challenging obstacles in receiving complete and accurate information from U.S. airlines, especially system owner airlines. It is unclear to System One Amadeus whether this phenomenon is occurring because AMADEUS is a relatively new CRS database in the United States or because system owners are deliberately trying to detract from the value of a competing CRS. Clearly, system owner-airlines are sanctioning activity that discriminates against a competing CRS in violation of Section 255.7(b).<sup>5</sup>

The most recent example of discriminatory activity is by American. Last seat availability has become a valuable marketing tool, and the subscriber community has become dependent on this functionality. When a System One Amadeus subscriber views American discount seats via AMADEUS direct access to American, the subscriber should be able to sell those seats if they are showing available. There have been numerous reports from System One Amadeus

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<sup>5</sup> Section 255.7(b) requires system owners to "provide complete, timely and accurate information on its airline schedules, fare, and seat availability to each other system . . . on the same basis and at the same time that it provides such information to the system that it owns, controls, markets or is affiliated with" and to make "equally available for sale and through other systems" a fare or service that is commonly available to subscribers of its own system. 14 C.F.R. § 255.7(b).

subscribers that what they see in American direct access is not what they can sell. The American "help desk" was contacted with examples of this phenomenon, and System One Amadeus was advised that these seats should not be displaying via direct access and only Sabre agencies can sell the last seats. American offered to "fix" the problem by suppressing the availability of the last seats so the travel agent would not think there are seats to sell. System One Amadeus initially assumed that the help desk agent was mistaken, since System One Amadeus doubted American would dare to violate the CRS rules so blatantly. Subsequent conversations with other help desk personnel and an American staff support representative proved that System One Amadeus was incorrect, however. Not only did the subsequent calls verify American's initial position about the last seats, but the staff representative stated, "If a Sabre user were to try and sell the space, they would have been able to confirm the space; an AMADEUS user or a user of any other CRS company would not have been able to sell the space." Either American is interpreting the rules differently than System One Amadeus does, or American is deliberately creating host biases to further Sabre's dominance in the CRS market in violation of Section 255.7(b). In either case, this problem must be addressed in the current overall CRS rulemaking.

Conclusion

System One Amadeus applauds the Department for strengthening the CRS rules in 1992 and urges the Department to refine the rules further to address continuing anticompetitive abuse. System One Amadeus is seeking nothing more than an opportunity to compete on a level playing field. System One Amadeus looks forward to assisting the Department in crafting language to fill existing regulatory loopholes and clarify current requirements.

Respectfully submitted,

SYSTEM ONE AMADEUS, L.L.C.

By: William Diffenderffer  
William Diffenderffer    *cb*

By: Caren Cook Burbach  
Caren Cook Burbach

December 9, 1997  
1448043

**EXHIBIT 1**

IN THE CIRCUIT COURT OF THE  
11TH JUDICIAL CIRCUIT IN AND  
FOR DADE COUNTY, FLORIDA

GENERAL JURISDICTION DIVISION

CASE NO. 97-03838

SYSTEM ONE INFORMATION MANAGEMENT,  
L.L.C.,

Plaintiff,

vs.

AMERICAN AIRLINES, INC., and  
THE SABRE GROUP, INC.,

Defendants.

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THE ORIGINAL FILED  
ON FEB 21 1997  
IN THE OFFICE OF  
CIRCUIT COURT, DADE COUNTY, FL

AMENDED COMPLAINT

Plaintiff, SYSTEM ONE INFORMATION MANAGEMENT, L.L.C., d/b/a System One Company ("SYSTEM ONE"), files this Complaint against Defendants, AMERICAN AIRLINES, INC. ("AMERICAN"), and THE SABRE GROUP, INC. ("SABRE"), and states:

I. NATURE OF THE CASE

1. This is an action for damages based upon Defendants' tortious interference with SYSTEM ONE's advantageous business relations with Burger King Corporation.

II. PARTIES

A. SYSTEM ONE

2. SYSTEM ONE is a Delaware limited liability company with a full time operational place of business in Dade County, Florida.

3. SYSTEM ONE markets a computer reservation system ("CRS") and other travel related products and services to travel agencies and other customers. A database of current information regarding

airline schedules, seat availability, fares and related information is maintained in the CRS marketed by SYSTEM ONE ("SYSTEM ONE CRS"). SYSTEM ONE provides its customers access to that database, leases computer hardware and licenses software, thereby permitting its customers to make airline, rental car and hotel reservations, and to issue tickets and boarding passes. SYSTEM ONE earns revenues based on the number of bookings made by subscribers to the SYSTEM ONE CRS. SYSTEM ONE is one of four companies who provide computerized reservation services in the United States. Defendant SABRE is another of those companies.

**B. AMERICAN**

4. AMERICAN is a Delaware corporation which conducts business in Dade County, Florida.

5. AMERICAN is a wholly owned subsidiary of AMR Corporation. It is a co-subsidiary of Defendant SABRE.

6. AMERICAN has negotiated with certain of its corporate customers "corporate discount contracts" which provide generally that AMERICAN will reduce the cost of air travel for the corporate customer in return for a commitment that its personnel will use AMERICAN for a specified amount of air travel. In the South Florida market, where AMERICAN has a major share of air traffic, these corporate discount contracts offer substantial savings to the targeted business.

**C. SABRE**

7. SABRE is a Delaware corporation with its principal place of business in Tarrant County, Texas.

8. Prior to October, 1996, SABRE's parent company, THE SABRE GROUP HOLDINGS, INC., was a wholly owned subsidiary of AMR Corporation. In October, 1996, AMR sold Class A shares of THE SABRE GROUP HOLDINGS, INC., to the public but retained 100% of its Class B common stock which represents more than 80% of the economic interest in the company.

9. Upon information and belief, SABRE is a wholly owned subsidiary of THE SABRE GROUP HOLDINGS, INC. SABRE is therefore a co-subsiary of Defendant AMERICAN.

10. Through its SABRE Travel Information Network division, SABRE provides CRS services in competition with SYSTEM ONE. SABRE earns revenue from travel agents and other subscribers to the SABRE CRS and from participating airlines whose tickets are booked through the use of the SABRE CRS.

11. SYSTEM ONE and SABRE compete against each other in many territories, including South Florida.

**III. JURISDICTION AND VENUE**

12. Defendants AMERICAN and SABRE have corporate offices in Dade County, Florida; have continuously and systematically transacted business in Florida; and have registered agents for service of process in Florida. In addition, SYSTEM ONE's claims are based on both Defendants' conduct in Florida. Accordingly, the

Court has personal jurisdiction over AMERICAN and SABRE.

13. This Court has subject matter jurisdiction over this action because the amount in controversy exceeds \$15,000.

14. Venue is proper in this county pursuant to Fla. Stat. § 47.051 because a substantial part of the events giving rise to the causes of action alleged herein accrued in Dade County, Florida, and because Defendants have agents or other representatives in Dade County, Florida.

#### IV. BACKGROUND FACTS

15. SYSTEM ONE and Burger King Corporation ("Burger King") were parties to a System One Information Management Services Agreement (the "SYSTEM ONE Agreement," a copy of which is attached hereto as Exhibit 1).

16. The SYSTEM ONE Agreement provided Burger King with access to SYSTEM ONE's CRS as well as related computer equipment and proprietary software. In return, SYSTEM ONE was to realize substantial revenue due to bookings by Burger King through the SYSTEM ONE CRS as well as potential equipment lease fees. The SYSTEM ONE Agreement has an express term of 60 months.

17. Pursuant to the SYSTEM ONE Agreement, computer hardware and software were installed at Burger King's headquarters in April, 1995.

18. SYSTEM ONE performed its obligations under the SYSTEM ONE Agreement to Burger King's satisfaction.

19. Prior to entering into the SYSTEM ONE Agreement, Burger

King had a corporate discount contract with AMERICAN pursuant to which AMERICAN provided discounted air travel to Burger King. However, upon information and belief, when AMERICAN learned that Burger King had entered into the SYSTEM ONE Agreement, it refused to renew its corporate discount contract with Burger King. Upon information and belief, in February 1996, AMERICAN explicitly demanded that Burger King terminate its agreement with SYSTEM ONE and sign a CRS contract with SABRE as a condition to AMERICAN's continued provision of such discounted air travel. In other words, AMERICAN demanded that Burger King replace the SYSTEM ONE CRS with AMERICAN's co-subsiidiary SABRE's CRS before AMERICAN would renew its corporate discount contract with Burger King.

20. Yielding to AMERICAN, in March 1996 Burger King notified SYSTEM ONE that it would be terminating the SYSTEM ONE Agreement. As a result of such termination, SYSTEM ONE removed its equipment and software from Burger King's premises. SYSTEM ONE thereby lost its advantageous business relationship with Burger King and the benefits that were bargained for under the SYSTEM ONE Agreement.

21. SYSTEM ONE is informed and believes that Burger King acted reluctantly and terminated the SYSTEM ONE Agreement only because of the interference by AMERICAN, and not because of the competitive merit of SABRE's product or service. Upon information and belief, Burger King would not have terminated the SYSTEM ONE Agreement and SYSTEM ONE would not have lost Burger King as a subscriber, but for AMERICAN's improper interference with the

SYSTEM ONE Agreement and SYSTEM ONE's advantageous business relations with Burger King.

22. Upon information and belief, prior to SYSTEM ONE's removal of its equipment and software from Burger King's premises, SABRE entered into an agreement with Burger King. AMERICAN then provided a corporate discount contract to Burger King.

**V. CAUSES OF ACTION**

**COUNT I  
TORTIOUS INTERFERENCE WITH  
ADVANTAGEOUS BUSINESS RELATIONS  
(against AMERICAN)**

23. Paragraphs 1 through 22 are incorporated by reference as if herein alleged.

24. AMERICAN intentionally interfered with the SYSTEM ONE Agreement and SYSTEM ONE's continued advantageous business relations with Burger King with the intent of causing Burger King to terminate the SYSTEM ONE Agreement and its business relations with SYSTEM ONE.

25. At the time it committed the acts of interference, AMERICAN knew of the existence of the SYSTEM ONE Agreement and SYSTEM ONE's advantageous business relations with Burger King; indeed, the existence of the SYSTEM ONE Agreement prompted AMERICAN's tortious acts.

26. AMERICAN acted without any right, privilege or legitimate justification.

27. AMERICAN's acts of intentional interference proximately

caused Burger King to terminate the SYSTEM ONE Agreement and its business relations with SYSTEM ONE. But for AMERICAN's acts of interference, SYSTEM ONE would have enjoyed continued contractual and advantageous business relations with Burger King.

28. As a proximate result of AMERICAN's wrongful acts, SYSTEM ONE has suffered damages including, but not limited to, lost profits.

WHEREFORE, SYSTEM ONE demands judgment for damages, prejudgment interest, attorneys' fees (pursuant to Fla. Stat. §57.105) and any other relief the Court deems appropriate.

COUNT II  
CONSPIRACY TO TORTIOUSLY INTERFERE  
WITH ADVANTAGEOUS BUSINESS RELATIONS  
(against AMERICAN and SABRE)

29. Paragraphs 1 through 28 are incorporated by reference as if herein alleged.

30. AMERICAN and SABRE engaged in a conspiracy to interfere tortiously with SYSTEM ONE's advantageous business relations with Burger King. The Defendants have acted in concert with the common purpose of interfering with those relations and bringing about the replacement of SYSTEM ONE with SABRE through tortious means and such acts are not isolated events. In furtherance of the conspiracy, Defendants have planned and committed the tortious and illegal acts described above.

31. As a proximate result of Defendants' conspiracy, SYSTEM ONE has suffered damages, including, but not limited to, lost

profits.

WHEREFORE, SYSTEM ONE demands judgment for damages, prejudgment interest, attorneys' fees pursuant to (pursuant to Fla. Stat. §57.105) and any other relief the Court deems appropriate.

**PUNITIVE DAMAGES**

32. SYSTEM ONE reserves the right to amend this complaint to add a claim for punitive damages upon a proffer pursuant to Florida Statutes, § 768.72.

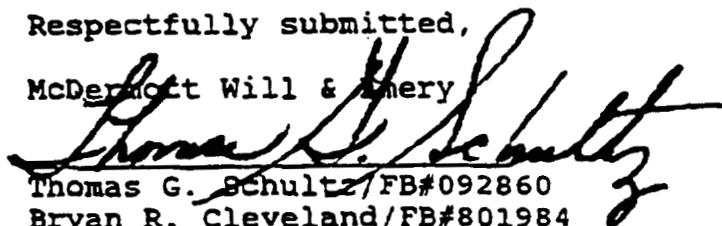
**JURY DEMAND**

33. SYSTEM ONE demands a trial by jury on its legal claims.

Respectfully submitted,

McDermott Will & Emery

BY:

  
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Counsel for System One Information  
Management, L.L.C.

**EXHIBIT 2**

Total Domestic	F/FY/Y/Y06/YR06	6%
Total Domestic	All Other Fares Except K and L	5%

**DOMESTIC POINT OF SALE, WITH TRAVEL AGENCY COMMISSIONS (CONT.)**

If reservations are made and tickets issued for travel under this agreement are done on the **WORLDSPAN Reservations System**, will be entitled to receive an 8% discount on domestic F/FY/Y06/YR06 and a 7% discount on all other domestic fares excluding K and L.

Delta's domestic route system as defined by Delta, includes the 48 contiguous United States, Alaska, Hawaii, San Juan, and the U.S. Virgin Islands. Note: Excludes The Delta Connection Carrier markets except when connecting to/from a Delta flight.

**PERFORMANCE CRITERIA**

agrees to direct air travel to Delta in an effort to achieve an overall domestic segment share goal of 60%, and an overall domestic sales revenue goal of \$712,550. Additionally, agrees to meet or exceed the following segment market shares:

Markets	Current Segment Share	Segment Share Goal
FLL-ATL	88.13%	90%
FLL-BUS	71.60%	75%
FLL-CLT	5.56%	20%
FLL-CVO	90.40%	91%
FLL-DCA	20.25%	25%
FLL-DFW	85.60%	90%
FLL-EWR	13.45%	20%
FLL-IAH	39.71%	30%
FLL-LAS	74.33%	75%
FLL-LAX	41.11%	45%
FLL-MIA	71.07%	75%
FLL-NY	3.14%	5%

**EXHIBIT 3**



A I R L I N E S

Department Number

**C6650**  
Northwest Airlines, Inc.  
501 Northwest Drive  
St. Paul, MN 55111-9039

November 18, 1996

Dear Travel Professional,

Northwest recognizes that your access to sales support is one of the most important elements of our business today. The Sales Action Center (SAC) is one of two Northwest inbound call systems delivering support for agency waitlists, seat assignments, ticketing, marketing information, commission quotes and sales exceptions. As you may be aware, access to the Sales Action Center has been stretched to capacity during much of 1996. We have not been meeting our phone service level standards and understand how frustrating it can be to receive a busy signal.

At the same time, Northwest offers a second sales support system called the Sales Information Line (SIL). The SIL has been delivering responsive phone service during 1996 and has unused capacity.

**Effective December 5, 1996 your account relationship with the Sales Action Center will change.**

On that date we will provide SAC access to a narrower list of agencies that have contractual selling relationships with Northwest or subscribe to WorldSpan as their primary CRS.

Because your agency is not meeting these requirements for free SAC access, you may select one of the following two options for Northwest sales support on or after December 5.

**A. New Coverage by the Sales Information Line**

Automatic transfer of account coverage from the Sales Action Center to the Northwest Sales Information Line (SIL) at no charge. You do not need to take action for this new coverage to take place. The SIL delivers responsive phone service levels and a basic package of support services including:

- Live waitlist review
- Voice-messaging about new fares, marketing promotions and the Senior program.
- Ticketing information and examples
- Commission call-back service
- Live sales exception review through Agency Reservations, a special desk within Reservations
- Live assistance with seat assignment requests
- The SIL is open 7 days a week, 24 hours per day

See the attached SIL reference materials providing more details. This would be your primary sales support channel for Northwest products and services. Please note that Northwest's outside sales representatives will not be available to service inquiries covered by the SIL.



**B. Continue Sales Action Center Premier Support  
After December 5, 1996 for an Annual Subscription Fee**

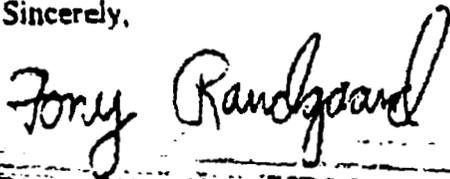
- You may elect to continue premier sales support with the Sales Action Center for an annual subscription fee, based on our average variable cost of communications/ labor to serve you. These costs per location are:
  1. \$300 per year for each agency home office or branch location in MN, ND, SD, WI, MI, TN, and AR.
  2. \$100 per year for each agency home office or branch location in all other U.S./ Canada states/provinces

This offer includes a service guarantee and provisions for changes in your access based on your next CRS decision. If you choose the subscription option, you will notice improved access after December 5 and receive sales support rated #1 among the seven largest airlines. See the enclosed Sales Action Center Subscription Agreement for more details.

We appreciate your careful review of these account coverage options. In either case, we believe you will notice substantial improvement in your ability to access Northwest sales support. This plan increases our overall capacity to handle agency service requests and gives your agency principal the ability to choose a basic or premier support level.

For questions about this program, feel free to contact a Northwest inside sales representative at 800-692-2441. This number will be available November 18 - December 23, 1996.

Sincerely,



Tony Randgaard  
Manager, Sales Action Center

TR/ich