BEFORE THE

DEPARTMENT OF TRANSPORTATION

WASHINGTON, D.C.

In the Matter of	: Dockets	OST-97-2881
COMPUTER RESERVATION SYSTEM (CRS) REGULATIONS	:	OST-97-3014
	:	OST-98-4775
	:	OST-99-5888

ANSWER OF CONTINENTAL AIRLINES, INC.

Communications with respect to this document should be sent to:

Rebecca G. Cox
Vice President, Government Affairs
CONTINENTAL AIRLINES, INC.
1350 I Street, N.W.
Washington, DC 20005

Hershel I. Kamen
Staff Vice President, International
& Regulatory Affairs
CONTINENTAL AIRLINES, INC.
P.O. Box 4607 – HQSGV
Houston, TX 77210-4607

R. Bruce Keiner, Jr.
Lorraine B. Halloway
CROWELL & MORING LLP
1001 Pennsylvania Avenue, N.W.
Washington, DC 20004-2595
(202) 624-2500

Counsel for
Continental Airlines, Inc.

November 27, 2002

BEFORE THE

DEPARTMENT OF TRANSPORTATION

WASHINGTON, D.C.

In the Matter of		
	Dockets	OST-97-2881
COMPUTER RESERVATION SYSTEM (CRS) REGULATIONS		OST-97-3014
		OST-98-4775
		OST-99-5888

ANSWER OF
CONTINENTAL AIRLINES, INC.

Continental[1] urges the Department to reject summarily the attempt by the world's largest computer reservations systems ("CRSs") to prolong the status quo by seeking extension of both the comment periods in the long-pending rulemaking and the sunset date of the current outdated rules. The public interest demands expedited completion of the five-year old CRS rulemaking, and extending either the comment periods or the sunset date would defeat that goal.

---

1 Common names of companies are used.

Continental states as follows in support of its position:

1. The CRS rulemaking has been pending for over five years. Earlier this month, Secretary Mineta rejected a congressional request to postpone publication of the CRS notice of proposed rulemaking ("NPRM") because "a thorough reexamination of DOT's CRS rules is long overdue," and Secretary Mineta has "personally committed to move forward with a review of the existing rules, and . . . made the completion of this rulemaking proceeding a departmental priority." (Letter from Secretary Norman Y. Mineta to Congressman James L. Oberstar, dated November 5, 2002) Petitioners' request to double the comment periods set by the NPRM is contrary to that goal and the Secretary's commitment. Airline distribution has changed dramatically over the last five years, and further delay in re-evaluating the CRS rules in light of these new realities would be unacceptable.

2. None of the reasons advanced by the petitioning CRSs and other parties justifies the three-month extension of the comment period which they seek. While the Petitioners claim "parties will need to gather the information requested by the Department, undertake the analyses required by the NPRM and draft meaningful pleadings" (Petition at 3), they fail to explain why the 60 days provided are insufficient to accomplish these activities. Petitioners and other interested parties have had numerous opportunities to study and submit comments on the various issues raised by the NPRM over the past five years, most recently by submitting papers to the Office of Management and Budget, and all parties should

be able to complete their analyses and prepare their initial comments on the NPRM by January 14.

3. Contrary to Petitioners' suggestion, the NPRM contains no new or unanticipated issues. The possibility of abolishing the CRS rules has been raised by various commenters throughout this rulemaking and was recommended last March by Delta, Northwest, United and Worldspan.[2] Similarly, the mandatory participation rule, booking fee provisions, productivity pricing clauses in subscriber contracts, and other system/subscriber issues have been debated in countless submissions for the past five years. Interested parties can readily analyze the implications of the proposals on these and other issues within the 60 days provided for initial comments. Equally unpersuasive is Petitioners' argument that the "holiday season" justifies a two month extension, to March 16, 2003, of the initial comment due date. Contrary to Petitioners' suggestion, most companies are fully operational and conduct their normal business between Thanksgiving and the New Year. Furthermore, interested parties will have sufficient time to coordinate their initial comments both before and after the holidays since the NPRM was issued well in advance of Thanksgiving and runs two weeks into the New Year.

4. Continental also opposes Petitioners' request to extend the current rules six months beyond their March 31, 2003 expiration date to September 30.

---

[2] See Comments of Delta, Northwest, United and Worldspan in Docket OST-02-11577, filed March 18, 2002.

Continental hopes the Department will be able to complete its decision in the CRS proceeding before March 31, 2003, when the existing rules are due to sunset and retaining the current sunset date should provide an incentive to do so. Because the current CRS rules require substantial changes to close loopholes and ensure fairness, competition is a better antidote to CRS abuses than the existing rules are, and prompt action is long overdue.

The Department should reject Petitioners' attempt to prolong the CRS rulemaking unnecessarily, deny Petitioners' extension requests and conclude the CRS rulemaking expeditiously.

Respectfully submitted,

CROWELL & MORING LLP

/s/ R. Bruce Keiner, Jr.

R. Bruce Keiner, Jr.
rbkeiner@crowell.com

/s/ Lorraine B. Halloway

Lorraine B. Halloway
lhalloway@crowell.com

Counsel for
Continental Airlines, Inc.

November 27, 2002

CERTIFICATE OF SERVICE

I certify that I have this date served a copy of the foregoing document upon the following persons in accordance with the Department's Rules of Practice:

David Schwarte
3150 Sabre Drive
Mail Drop 9105
Southlake, TX 76092
(for Sabre)

David H. Coburn
Carol R. Gosain
Steptoe & Johnson LLP
1330 Connecticut Avenue, N.W.
Washington, DC 20036
(for Amadeus)

Kenneth P. Quinn
Pillsbury Winthrop LLP
1133 Connecticut Avenue, N.W., Ste 1200
Washington, DC 20036
(for Interactive Travel Services Assoc.)

Paul M. Ruden
American Society of Travel Agents, Inc.
1101 King Street
Alexandria, VA 22314

Samuel H. Wright
Cendant Corporation
101 Constitution Avenue, N.W.
Suite 800
Washington, DC 20002
(for Galileo and Rosenbluth Int'l.)

Linda F. Golodner
President
National Consumers League
1701 K Street, N.W.
Suite 1200
Washington, DC 20006

Eugene Laney, Jr.
Dir. of Information & Legislative Svcs.
National Business Travel Association
110 North Royal Street, 4th Floor
Alexandria, VA 22314

Don Saunders, Esq.
800 N.W. Loop 410
San Antonio, TX 78216
(for Corporate Travel Planners)

Brian Hand
Nordlicht & Hand
645 5th Avenue
New York, NY 10022
Attorney for Sea Gate Travel Group, LLC

Eugene A. Oven, Jr.
General Counsel
Navigant International, Inc.
84 Inverness Circle East
Englewood, CO 80112
(for Navigant International)

Andrew Milne
7918 Jones Branch Drive, Suite 600
McLean, VA 22101-3307
(for Austin Travel)

David Warmflash
Sexter & Warmflash
115 Broadway
New York, NY 10006
(for Tzell Travel)

Fred DeCicco
Pollack, Pollack, Isaac & DeCicco
225 Broadway
New York, NY 10007
(for Protravel International)

Rosemarie Christofolo
1630 S. Stapley Drive
Suite 217
Mesa, AZ 85204
(for Alteus International)

John Risberg
1395 N. Highway Drive
Fenton, St. Louis, MO 63099
(for Maritz TQ3)

Roy Hadley
World Travel BTI
1055 Lenox Park Boulevard
Suite 420
Atlanta, GA 30319

Michael Goodman
Wolf & Goodman
1350 S. Glencoe Street
Denver, CO 80222
(for Compass Travel)

Robert Blakeney
4300 Sigma Road
Suite 100
Dallas, TX 75244
(for Colwick Travel)

November 27, 2002

/s/ Linda S. Eastman

Linda S. Eastman

1962022