Ryanair takes comparison site to court

Kenny Jacobs claims Momondo's web links gave incorrect prices

RYANAIR has upped the ante in its fight against so-called "screenscraper" websites as it has filed High Court papers against a former partner, *writes Philip Connolly*.

The company filed legal papers against Momondo, a Copenhagen-based travel search site, on Wednesday.

The court action follows a decision by the airline to revoke a licensing agreement with the company last month following an alleged breach of contract.

It had granted a non-exclusive licence to Momondo to display Ryanair's fares for price comparison purposes.

According to Kenny Jacobs, Ryanair's chief marketing officer, the company revoked its licence when Momondo displayed links to websites that the airline claims mis-sell Ryanair's fares.

"The reason we don't like this is that you are seeing a lot of Ryanair fares that don't exist," he claimed.

"If you do book with some of these sites, you end up paying more in fees than fares.

"That is why we now taking Momondo to court. They moved off the official supply of Ryanair fares to an unofficial version."

Ryanair has been engaged in several legal cases across Europe against websites such as eDreams over alleged infringement of the airline's registered community trademarks and infringement of its intellectual property rights.

Momondo said it had not received a subpoena and thus did not make any comment.

Last month the company's managing director Pia Vemmelund said that the site "won't compromise on that transparency by taking out specific travel agencies from our search results just because an airline like Ryanair tells us to".

Competition watchdog thresholds 'too low'

Philip Connolly

CHANGES to the thresholds over which deals must be referred to the competition authority has led to a dramatic spike in the number of merger notifications and an unnecessary rise in transaction costs, according to one of Ireland's leading law firms.

A report by law firm ByrneWallace found that merger notifications have increased by 75% during the past two years, following the introduction of the Competition and Consumer Protection Act 2014. The act brought in significant changes to the Irish merger control regime.

"Questions remain as to whether the current merger thresholds are proportionate in their impact on business," said Joanne Finn, the head of EU, competition and regulated markets at ByrneWallace.

"Less than 3% of mergers move to a full phase two investigation, suggesting that the vast majority do not raise substantive competition issues and unnecessary time and costs are being added to deals," she added.

Finn said that the Competition and Consumer Protection Commission (CCPC) was now catching transactions that were too small and that the thresholds should be revisited.

"A number of competition lawyers made submissions to the Department for Jobs, Enterprise and Innovation at the time of the legislation because of concerns that the changes would disproportionately increase transaction costs, particularly for small transactions, and could impede transactions unnecessarily," she said.

ByrneWallace found that the property, hospitality and agri-food sectors had been the most affected. According to the law firm, there have been 15 times the number of property notifications and nine times the number of hotel merger notifications.

Under the act, merger transactions must be notified to the CCPC when the aggregate turnover in Ireland of all of the parties involved is at least €50m and when the turnover of each of two or more of the parties involved is at least €3m.

It currently costs €8,000 in filing fees, plus legal fees, to notify the commission. The notification requirement also creates significant time delays, of up to six weeks, for deals to be concluded, according to Finn. The act was changed as the old regime examined a high number of international transactions but fewer Irish mergers than under the current thresholds.

"The old thresholds were picking up a lot of international mergers, with sometimes surprising results – for example Disney's acquisition of Pixar needed to be notified in Ireland. The new thresholds are better, in that they definitely identify more Irish deals, but there is an argument that they have gone too far to redress the balance," said Finn.