2 October 2014: Sale of train tickets

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The Autorité de la concurrence obtains commitments from SNCF allowing travel agencies to compete on an equal footing with voyages-sncf.com. Following these changes, travellers should enjoy an enhanced offer of services.

> Version française

Summary

Following a complaint submitted to the Autorité de la concurrence by AS Voyages, the Autorité de la concurrence has obtained a series of commitments from the SNCF. These oblige SNCF to deal with its subsidiary voyages-sncf.com and competing travel agencies on an equal footing.

The commitments made by the SNCF, and rendered mandatory by the Autorité, simplify and clarify the train-ticket distribution system. Travel agencies will now be able to apply conditions equivalent to those of voyages-sncf.com, in particular in terms of billing, payment and access to information. These commitments will allow agencies to differentiate themselves by services – since the price of train tickets are regulated – by offering travellers diversified, more substantial offers (innovative reservation websites, tickets combing all different types of transport, etc.)

AS Voyages's referral

AS Voyages, a result of the merger of the agencies Afat voyages and Selectour, complained that SNCF's practices tended to favour its subsidiary, voyages-sncf.com, in the sale of train tickets, to the detriment of competing travel agencies.

How train ticket reservation works

Other than SNCF's direct sales channels (stations, agencies, self-service terminals, voyages-sncf.com), SNCF-approved travel agencies can distribute train tickets (Selectour Afat, Capitaine train, etc.). To do so, they access SNCF's online reservation system (the Résarail database). Connection to this central system is made via the technical interfaces known as Ravel and WDI, and SNCF bills for their use. In exchange, travel agencies can charge a commission on the train ticket sales that they make on SNCF's account (mandate).

The travel agencies were experiencing less advantageous conditions than those applied to voyages-sncf.com

During the procedure, the Autorité's investigation services found that the travel agencies were treated differently by the SNCF from its subsidiary voyages-sncf.com, without any objective justification. For example:

- SNCF's payments were different depending on whether they were applied to voyages-sncf.com or competing travel agencies.
- -the travel agencies' commercial and technical strategy could potentially be known by voyages-sncf.com, as no separation exists with the SNCF subsidiary responsible for gathering requests for access to Résarail.
- -the sncf.com site did not display timetables on its pages but directed visitors to the voyages-sncf.com site to allow reservation with the risk of its subsidiary capturing traffic by taking advantage of the SNCF brand.

In the light of these practices, liable to constitute an abuse of its dominant position, the SNCF proposed a dozen commitments, subject to consultation with actors in the market (see market test of 28 April 2014).

The commitments made by SNCF

The proposed technical commitments, which were enhanced at the Board

hearing on the Autorité's request, <u>are of a kind to prevent voyages-sncf.com</u> from enjoying preferential treatment in comparison with its competitors.

Among these commitments, SNCF undertakes in particular:

To apply the same commission conditions to all travel agencies

The competing travel agencies will have similar payment conditions applied to them as to voyages-sncf.com. The decrease in the access price to certain interfaces will make it easier for travel agencies to offer, like voyages-sncf.com, the whole of SNCF's transport supply (including iDTGV and Ouigo) and to integrate the transport provision of other transport providers (in particular for international journeys). Given the opening to competition of passenger rail transport, this will facilitate the emergence of travel agencies capable of aggregating the provision of all rail, air and road transport providers.

 To guarantee the confidentiality of requests by competing travel agencies to voyages-sncf.com

The SNCF undertakes to make substantial reforms to its organisation in order to bring an end to the permeability between voyages-sncf.com and its sister company that gathers the travel agencies' ticket distribution system access requests. This will guarantee the confidentiality of information submitted by travel agencies.

 To modify its Internet site so that no advantage is any longer given to its voyages-sncf.com reservation site

From now on, the SNCF will offer access to timetables on its sncf.com site without reference or click-through to the voyages-sncf.com site. Its Internet site will likewise split access to "timetables" and "reservations" into two different tabs.

The Autorité's decision

The Autorité de la concurrence considers that SNCF's commitments satisfy its competition concerns and are of a substantial, credible and verifiable nature. It renders them mandatory and closes the procedure opened before it.

> Consult the full text of the commitments and decision 14-D-11 of 2 October 2014 on the practices implemented in the train-ticket distribution sector.

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