

Expedia, Hotwire reach settlements with consumers

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Expedia and its Hotwire unit separately reached proposed settlements of \$123.4 million and nearly \$5.5 million, respectively, with two certified national classes of consumers.

The proposed settlements, which are subject to court approval, are related to how Expedia and Hotwire identified "taxes and fees."

In a twist, both proposed settlements allow consumers to take the settlement in cash or travel credits. Expedia and Hotwire continue to deny wrongdoing.

In the Expedia case filed in Washington State, consumers throughout the U.S. are eligible for a settlement if they booked standalone hotel rooms or hotels as part of vacation packages from Jan. 10, 2001, to June 11, 2008, and paid a "tax recovery charge" and "service fee" as part of the booking. Details are available at www.servicefeesettlement.com.

The plaintiffs accused Expedia of unfair business practices and breach of contract in the way Expedia identified those fees.

Consumers in the Expedia settlement in Washington can receive a cash settlement amounting to 30% of the service fees they paid, or opt to receive an Expedia settlement credit toward future travel worth 2.17 times that amount, which is equal to 65% of the service fees paid.

In the Hotwire case filed in San Francisco, consumers are eligible for a settlement if they booked a standalone hotel room -- not part of a package -- and paid Hotwire "taxes and fees" or "taxes/fees" from Jan. 10, 2001, to May 2, 2005.

The plaintiffs alleged that Hotwire added charges to taxes and fees that were for things other than taxes and services rendered, and that Hotwire took other steps to disguise the actual room cost.

Class members in the Hotwire case are eligible to receive a settlement of 25% of the service fees they paid or a settlement in HotDollar Credits amounting to 65% of the service fees paid. For more information, visit www.hoteltaxandfeesettlement.com.