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PHOCUSWRIGHT STUDY FINDS \$268 BILLION OF TRAVEL INDUSTRY REVENUE POWERED BY GLOBAL DISTRIBUTION SYSTEMS

Proprietary Data Show Amadeus, Sabre, Travelport Processed More than 1.1 Billion Worldwide Transactions in 2008

GDS Companies Represent One-Third of U.S. Travel Supplier Revenue, Two-Thirds of U.S. Airline Revenue

Sherman, CT – January 13, 2010 – Travel industry research authority PhoCusWright today released the most comprehensive study done to date on the Global Distribution Systems (GDSs) that provide much of the electronic infrastructure behind airline, hotel, car rental, and other travel transactions. Based on original PhoCusWright research and proprietary data provided by the three major GDS companies (Amadeus, Sabre, and Travelport), the study found that the GDS industry processed more than 1.1 billion travel transactions in 2008 representing more than \$268 billion in global travel sales.

In the United States, GDS transactions represented more than one-third of all travel supplier revenue and almost two-thirds of all airline passenger revenue for 2008. Despite the recession, GDS companies grew the total bookings they powered in the U.S. from \$93.6 billion in 2006 to \$98.7 billion in 2008, and the study projected them to hold their overall share in 2009 and 2010, despite falling industry revenue.

“Global Distribution Systems are the quiet giant of the travel industry,” said Douglas Quinby, Senior Director of Research at PhoCusWright and author of the study. “Although many consumers have never heard of them, GDSs power the billions of electronic transactions that both online and traditional travel agencies use to book airline tickets, hotel rooms, car rentals, and other travel arrangements. By aggregating inventory and rates across thousands of suppliers, GDSs help individual and business travelers by providing more transparency, better access, and increased competition.”

Among the findings of the study:

- The GDS companies powered more than \$268 billion in worldwide travel revenue in 2008 through 1.1 billion transactions – or more than 2,100 transactions per minute.
- In the U.S., the GDSs processed 449 million travel transactions in 2008, representing \$98.7 billion in total travel sales, or 35% of total supplier revenue (gross bookings).
- GDS bookings represented \$81 billion of U.S. airline revenue in 2008, or 64% of total U.S. airline passenger revenue.
- Travel revenue powered by GDSs in the U.S. rose from \$93.6 billion in 2006 to \$98.2 billion in 2007 and \$98.7 billion in 2008, despite the recession.
- The GDSs processed nearly three-quarters of all intermediary (online and traditional travel agency) sales in the U.S. in 2008.
- Although lower than in the U.S., GDSs also account for a significant portion of all European travel revenue, with 21% of all revenue and 47% of airline bookings in 2008.
- GDS companies power the reservations and technology infrastructure for more than 163,000 travel agency locations and nearly half a million travel agents worldwide.
- The GDSs provide access to more than 550 airlines, 90,000 hotel properties, 30,000 car rental locations, and hundreds of major tour operators and cruise lines.
- The three major GDS companies, Amadeus, Sabre, and Travelport, had combined corporate revenue of \$9.624 billion in 2008 and employ more than 23,000 people.

“If the transaction value enabled by the GDS industry went to a single company, it would rank third on the Fortune 500 list, behind only Wal-Mart and Exxon Mobil,” said Arthur Sackler, Executive Director of the Interactive Travel Services Association, which commissioned the study. “Transactions powered by GDS companies are the financial lifeblood for tens of thousands of travel agents, tour operators, hotels, airlines, car rental agencies, and other participants in the travel industry. We must continue to support policies that allow the GDS industry full access to travel provider data without unreasonable restrictions, so travelers can continue to get the information they need to make informed travel choices, and the travel industry can benefit from the efficiency of a GDS-based distribution system.”

The study, titled “The Role and Value of the Global Distribution Systems in Travel Distribution,” derived market data from original PhoCusWright research. The three major participants in the GDS industry, Amadeus, Sabre, and Travelport, also provided PhoCusWright with proprietary transaction and transaction value data from 2006 to 2008 for air, hotel, and car rental bookings. The study was commissioned and sponsored by the Interactive Travel Services

Association. The executive summary and full study are available at www.phocuswright.com and www.interactivetravel.org.

About PhoCusWright Inc.:

PhoCusWright is the travel industry research authority on how travelers, suppliers and intermediaries connect. Independent, rigorous and unbiased, PhoCusWright fosters smart strategic planning and tactical decision-making.

PhoCusWright delivers qualitative and quantitative research on the evolving dynamics that influence travel, tourism and hospitality distribution. Our marketplace intelligence is the industry standard for segmentation, sizing, forecasting, trends, analysis and consumer travel planning behavior. Every day around the world, senior executives, marketers, strategists and research professionals from all segments of the industry value chain use PhoCusWright research for competitive advantage.

To complement its primary research in North and Latin America, Europe and Asia, PhoCusWright produces several high-profile conferences and trade shows in the U.S. and Germany, and partners with conferences in Canada, China and Singapore. Industry leaders and company analysts bring this intelligence to life by debating issues, sharing ideas and defining the ever-evolving reality of travel commerce.

The company is headquartered in the United States with Asia Pacific operations based in India and local analysts on five continents.

About the Interactive Travel Services Association:

The Interactive Travel Services Association (ITSA) is the association for online travel distribution, and is composed of Global Distribution Systems and Online Travel Companies. ITSA promotes consumer choice, access, confidence, protection and information in the rapidly growing world of online travel. ITSA seeks to develop consensus among industry, consumer organizations and policy makers on issues related to consumer use of the Internet to meet their needs.